

Iowa Department of Human Services



**Non-Emergency Medical Transportation Brokerage
REQUEST FOR PROPOSAL**

MED-10-011

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RFP Table of Contents

Section 1	<u>Introduction</u>	
1.1	Purpose.....	6
1.2	Background Information.....	6
Section 2	<u>Administrative Information</u>	
2.1	Issuing Officer	7
2.2	Restriction on Communication	7
2.3	Downloading the RFP from the Internet.....	7
2.4	Procurement Timetable.....	7
2.5	Letters of Intent to Bid	8
2.6	Questions, Requests for Clarification and Suggested Change.....	8
2.7	Amendment to the RFP, Bid Proposal, Withdrawal of Bid Proposal	8
2.8	Submission of Bid Proposals	8
2.9	Cost of Preparing the Bid Proposal.....	9
2.10	Rejection of Bid Proposals.....	9
2.11	Disqualification.....	9
2.12	Non Material and Material Variances.....	10
2.13	Reference Checks	10
2.14	Information from Other Sources.....	10
2.15	Verification of Bid Proposal Contents.....	10
2.16	Criminal History and Background Investigation	10
2.17	Bid Proposal Clarification Process	10
2.18	Disposition of Bid Proposals	10
2.19	Public Records and Request for Confidential Treatment.....	10
2.20	Copyrights.....	11
2.21	Release of Claims	11
2.22	Presentations	12
2.23	Evaluation of Bid Proposals	12
2.24	Notice of Intent to Award	12
2.25	Acceptance Period	12
2.26	Review of Notice of Intent to Award Decision.....	12
2.27	Definition of Contract.....	12

2.28	Choice of Law and Forum	12
2.29	Restrictions on Gifts and Activities	12
2.30	No Minimum Guaranteed	13
Section 3	<u>Service Requirements</u>	
3.1	Introduction.....	14
3.1.1	Non-Emergency Medical Transportation	14
3.1.1.1	Members/Individuals/Volunteers.....	14
3.1.1.2	Transportation Agencies	15
3.2	Scope of Work	16
3.2.1	General Requirements.....	16
3.2.1.1	Contract Management.....	16
3.2.1.2	Performance Reporting and Quality Assurance.....	16
3.2.1.3	State Responsibilities	17
3.2.1.4	Broker Responsibilities.....	17
3.2.1.5	Performance Standards	18
3.2.2	NEMT: Brokerage Process	19
3.3	Contract Phases	20
3.3.1	Implementation	20
3.3.1.1	State Responsibilities	20
3.3.1.2	Broker Responsibilities.....	20
3.3.1.3	Performance Standards	21
3.3.2	Operations.....	21
3.3.2.1	NEMT: Network Providers and Individuals	21
3.3.2.1.1	State Responsibilities	21
3.3.2.1.2	Broker Responsibilities: General	21
3.3.2.1.3	Broker Responsibilities: Network Transportation Providers	22
3.3.2.1.4	Broker Responsibilities: Members/Individuals/Volunteers	25
3.3.2.1.5	Performance Standards.....	26
3.3.2.2	Verification of Member Eligibility	26
3.3.2.2.1	State Responsibilities	26
3.3.2.2.2	Broker Responsibilities	26

3.3.2.2.3	Performance Standards.....	26
3.3.2.3	Office/Telephone Call Center and Appointment Standards	27
3.3.2.3.1	State Responsibilities	27
3.3.2.3.2	Broker Responsibilities: Call Center.....	27
3.3.2.3.3	Broker Responsibilities: Appointments	27
3.3.2.3.4	Performance Standards.....	29
3.3.2.4	NEMT Reimbursement.....	29
3.3.2.4.1	State Responsibilities	29
3.3.2.4.2	Broker Responsibilities	29
3.3.2.4.3	Performance Standards.....	30
3.3.2.5	Member Education.....	30
3.3.2.5.1	State Responsibilities	30
3.3.2.5.2	Broker Responsibilities	30
3.3.2.5.3	Performance Standards.....	30
3.3.2.6	Grievance, Complaints, and State Fair Hearing System.....	30
3.3.2.6.1	State Responsibilities.....	30
3.3.2.6.2	Broker Responsibilities.....	31
3.3.2.6.3	Performance Standards	32
3.3.3	Turnover	32

Section 4 Format and Content of Bid Proposals

4.1	Instructions.....	33
4.2	Technical Proposal.....	34
4.2.1	Table of Contents.....	34
4.2.2	Bidder Declarations	34
4.2.3	Mandatory Requirements Checklist.....	34
4.2.4	Executive Summary/Introduction	34
4.2.5	Service Requirements	35
4.2.6	Corporate Organization, Experience and Qualifications	35
4.2.7	Authorization to Release Information.....	37
4.3	Cost Proposal	37

Section 5 Evaluation of Bid Proposal

5.1	Introduction	39
5.2	Evaluation Committee	39
5.3	Mandatory Requirements for Proposals.....	39
5.4	Scoring of Bidder Technical and Cost Proposals.....	39
5.4.1	Independent Evaluation of Technical Proposals.....	39
5.4.2	Evaluation Criteria and Assigned Points for Technical Proposal	40
5.4.3	Scoring of Bidder Cost Proposals.....	41
5.4.4	Technical and Cost Proposals Combined	41
5.5	Recommendation of Evaluation Committee to the State Medicaid Director.....	41

Section 6 Contract Terms and Conditions

6.1	Contract Terms and Conditions	41
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Attachments

A.	Bid Proposal Mandatory Requirements Checklist.....	42
B.	Primary Bidder Detail Form and Certification	43
C.	Subcontractor Disclosure Form	46
D.	Authorization to Release Information.....	48
E.	Certifications.....	49
F.	Draft Contract	52
G.	Pricing Schedules.....	81
H.	Medical Transportation Claim Form (470-0386).....	82

1.1 Purpose

This Request for Proposal (RFP) seeks to solicit proposals from vendors for a transportation brokerage that will negotiate rates, arrange transportation and reimburse transportation claims for all eligible Iowa Medicaid Members for Non-Emergency Medical Transportation (NEMT). The contract resulting from this RFP will be for a period of three (3) years. The Department shall have the option to renew this contract for up to three (3) additional one (1) year extensions by giving the Contractor written notice of the extension decision at least sixty (60) days prior to the expiration of the initial term or renewal term.

Reimbursement to the successful bidder will be based on a capitated rate. Payment to the successful bidder will be made prior to the 15th day of the month, based on current eligible Members for each month. Eligible Members are determined through the IME CORE Unit on the fourth (4th) Monday of each month. Adjustments will be made for persons who appear on the eligibility list, but who are no longer qualified to receive NEMT services, due to an exclusionary change in their eligibility. The Broker will pay claims to eligible providers/individuals/Members/volunteers for eligible services provided to eligible Members.

The per-person-per-month (PMPM) capitation payment constitutes full reimbursement to the Broker (minus any withholding for performance or contractual obligations) for assuring, monitoring, managing, and reimbursing all NEMT services set forth in Section 3 of this RFP.

1.2 Background Information

The University of Iowa, Public Policy Center published a study on September 30, 2008, entitled “Iowa Medicaid Non-Emergency Medical Transportation System Review and Options for Improvements.” This study recommended that Iowa Medicaid move to a statewide, single broker system for arranging non-emergency medical transportation and paying claims. Historically, Income Maintenance Workers (IMW’s) in offices across the state have had the responsibility of arranging for Medicaid Members’ NEMT, with such transportation claims being submitted to IMWs and approved claims being submitted to the Department’s Fiscal Management Division for reimbursement. The Department intends to move to the transportation brokerage system recognized by Section 6083 of the Deficit Reduction Act of 2005.

This RFP is designed to provide bidders with the information necessary for the preparation of competitive bid proposals. The RFP process is for the Department’s benefit and is intended to provide the Department with competitive information to assist in the selection process. It is not intended to be comprehensive. Each bidder is responsible for determining all factors necessary for submission of a comprehensive bid proposal. The Department adheres to all applicable federal and state laws, rules, and regulations when entering into a contract for services.

Section 2 Administrative Information

- 2.1 Issuing Officer** – the Issuing Officer, identified below, is the sole point of contact regarding the RFP from the date of issuance until selection of the successful bidder.

Tim Weltzin, Issuing Officer
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- 2.2 Restriction on Communication** – From the issue date of this RFP until announcement of the successful bidder, bidders may contact only the Issuing Officer or his designee. The Issuing Officer will respond only to questions regarding the procurement process. Bidders shall be disqualified if they contact any Department employee other than the Issuing Officer regarding this RFP.
- 2.3 Downloading the RFP from the Internet** – If the bidder obtained this RFP on the Internet from the Department of Administrative Services/Information Technology Enterprise website directly or by link from the Department of Human Service’s home page prior to submitting a letter of intent to bid, the bidder will not automatically receive amendments that may be made to the RFP. All amendments will be posted at <http://bidopportunities.iowa.gov>. The bidder is advised to check the web page periodically for any amendments to this RFP, particularly if the bidder obtained this RFP from the Internet and, therefore, will not automatically receive amendments. Bidders who received this RFP as a result of a written request to the Department will automatically receive amendments.
- 2.4 Procurement Timetable** – The following dates are set forth for information and planning purposes; however, the Department reserves the right to change the dates.

Notice of Intent to Issue RFP	02/22/2010
Issue RFP	02/25/2010
Letters of Intent to Bid/Questions Due	03/12/2010
Response to Questions Issued	03/26/2010
Closing Date for Receipt of Bid Proposals and Amendments	04/19/2010
Notice of Intent to Award Issued	05/10/2010
Completion of Contract Execution	05/24/2010
Begin Implementation Activities	05/25/2010

- 2.5 Letters of Intent to Bid** – Submitting a letter of intent to bid is no longer a mandatory requirement to submit a bid proposal. Submission of a letter of intent to bid permits such bidders to ask questions about the RFP, ensures receipt of written responses to bidders' questions, and ensures receipt of amendments to the RFP. Letters of intent should be submitted to the Issuing Officer by the date specified in Procurement Timetable and must include (1) the bidding entity's legal name and address, and (2) contact information (name, address, telephone number, and e-mail address) for the individual who can address issues regarding this procurement.

- 2.6 Questions, Requests for Clarification and Suggested Changes** – Bidders who have timely submitted a letter of intent to bid can submit written questions and requests for clarifications regarding the RFP. Bidders may also submit suggestions for changes to the requirements of this RFP. The questions, requests for clarifications, or suggestions must be in writing and be received by the Issuing Officer before 4:00 p.m., Central Time on the date specified in Procurement Timetable. Oral questions will not be permitted. If the questions, requests for clarifications, or suggestions pertain to a specific section of the RFP, the page and section number(s) must be referenced. Written responses to questions, requests for clarification, or suggestions will be sent on or before the date specified in the Procurement Timetable to bidders who have submitted a letter of intent by the required date. The Department's written responses will not be considered part of the RFP. If the Department decides to adopt a suggested change, the Department will issue an amendment to the RFP.

The Department assumes no responsibility for verbal representations made by its officers or employees unless such representations are confirmed in writing and incorporated into the RFP.

NOTE: Bidders may not include assumptions in their bid proposals. Any ambiguity regarding this RFP must be addressed through this question and answer process.

- 2.7 Amendment to the RFP or Bid Proposal and Withdrawal of Bid Proposal** - The Department reserves the right to amend the RFP at any time. The bidder shall acknowledge receipt of an amendment in its proposal. If the amendment occurs after the closing date for receipt of bid proposals, the Department may, in its sole discretion, allow bidders to amend their bid proposals if necessary.

The bidder may amend its bid proposal. The amendment must be in writing and signed by the bidder. The Issuing Officer must receive the amendment by the deadline for submitting proposals. Electronic mail and faxed amendments will not be accepted.

The bidder may withdraw its bid proposal prior to the closing date for receipt of bid proposals by submitting a written request to withdraw to the Issuing Officer. Electronic mail and faxed requests to withdraw will not be accepted.

- 2.8 Submission of Bid Proposals** - The bid proposal must be received by the Issuing Officer **no later than 4:00 P.M.** Central Time, on the date specified in the Procurement Timetable. This mandatory requirement will not be waived by the Department. Any bid

proposal received after this deadline will be rejected and returned unopened to the bidder. Bidders mailing bid proposals must allow ample mail delivery time to ensure timely receipt of their bid proposals. It is the bidder's responsibility to ensure that the bid proposal is received prior to the deadline. Postmarking by the due date will not substitute for actual receipt of the bid proposal by the Department. Electronic mail and faxed bid proposals will not be accepted.

- 2.9 Costs of Preparing the Bid Proposal** - The costs of preparation and delivery of the bid proposal are solely the responsibility of the bidder.
- 2.10 Rejection of Bid Proposals** - The Department reserves the right to reject any or all bid proposals, in whole and in part, and to cancel this RFP at any time prior to the execution of a written contract. Issuance of this RFP in no way constitutes a commitment by the Department to execute a contract.
- 2.11 Disqualification** - The Department may reject outright and shall not evaluate proposals for any one of the following reasons:
- 2.11.1** The bidder fails to deliver the bid proposal by the due date and time.
 - 2.11.2** The bidder fails to deliver the cost proposal in a separate envelope.
 - 2.11.3** The bidder states that a service requirement cannot be met.
 - 2.11.4** The bidder's response materially changes a service requirement.
 - 2.11.5** The bidder's response limits the rights of the Department.
 - 2.11.6** The bidder fails to include information necessary to substantiate that it will be able to meet a service requirement. A response of "will comply" or merely repeating the requirement is not sufficient.
 - 2.11.7** The bidder fails to respond to the Department's request for information, documents, or references.
 - 2.11.8** The bidder fails to include bid proposal security.
 - 2.11.9** The bidder fails to include any signature, certification, authorization, stipulation, disclosure or guarantee required by this RFP.
 - 2.11.10** The bidder presents the information requested by this RFP in a format inconsistent with the instructions of the RFP.
 - 2.11.11** The bidder initiates unauthorized contact regarding the RFP with state employees.
 - 2.11.12** The bidder provides misleading or inaccurate responses.
 - 2.11.13** The bidder includes assumptions in its bid proposal.

- 2.12 Nonmaterial and Material Variances** - The Department reserves the right to waive or permit cure of nonmaterial variances in the bid proposal's form and content providing, in the judgment of the Department, such action is in the best interest of the Department. Nonmaterial variances include minor informalities that do not affect responsiveness; that are merely a matter of form or format; that do not change the relative standing or otherwise prejudice other bidders; that do not change the meaning or scope of the RFP; or that do not reflect a material change in the services. In the event the Department waives or permits cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the bidder from full compliance with RFP specifications or other contract requirements if the bidder executes a contract. The determination of materiality is in the sole discretion of the Department.
- 2.13 Reference Checks** - The Department reserves the right to contact any reference to assist in the evaluation of the bid proposal, to verify information contained in the bid proposal and to discuss the bidder's qualifications and the qualifications of any subcontractor identified in the bid proposal.
- 2.14 Information from Other Sources** - The Department reserves the right to obtain and consider information from other sources concerning a bidder, such as the bidder's capability and performance under other contracts.
- 2.15 Verification of Bid Proposal Contents** - The contents of a bid proposal submitted by a bidder are subject to verification. Misleading or inaccurate responses shall result in disqualification.
- 2.16 Criminal History and Background Investigation** - The Department reserves the right to conduct criminal history and other background investigation of the bidder, its officers, directors, shareholders, or partners and managerial and supervisory personnel retained by the bidder for the performance of the contract.
- 2.17 Bid Proposal Clarification Process** - The Department may request clarifications from bidders for the purpose of resolving ambiguities or questioning information presented in the bid proposals. Clarifications may occur throughout the bid proposal evaluation process. Clarification responses shall be in writing and shall address only the information requested. Responses shall be submitted in accordance with the schedule provided by the Department.
- 2.18 Disposition of Bid Proposals** - All bid proposals become the property of the Department and shall not be returned to the bidder. At the conclusion of the selection process, the contents of all bid proposals will be in the public domain and be open to inspection by interested parties subject to exceptions provided in Iowa Code Chapter 22 or other applicable law.
- 2.19 Public Records and Request for Confidential Treatment** - All information submitted by a bidder may be treated as public information by the Department following the conclusion of the selection process unless the bidder properly requests that information be treated as confidential at the time of submitting the bid proposal. The Department's release of information is governed by Iowa Code Chapter 22. Bidders are encouraged to familiarize themselves with Chapter 22 before submitting a proposal. The Department will copy public records as required to comply with the public records laws.

Any request for confidential treatment of information must be included in the transmittal letter with the bidder's bid proposal. In addition, the bidder must enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law, which support treatment of the material as confidential and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the bidder to respond to any inquiries by the Department concerning the confidential status of the materials.

Any bid proposal submitted that contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. Identification of the entire bid proposal as confidential shall be deemed non-responsive and disqualify the bidder.

If the bidder designates any portion of the bid proposal as confidential, the bidder must submit one copy of the bid proposal from which the confidential information has been redacted. This redacted copy is in addition to the number of copies requested in Section 4 of this RFP. The confidential material must be redacted in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible. To the extent possible, pages should be redacted sentence by sentence unless all material on a page is clearly confidential under the law.

The Department will treat the information marked confidential as confidential information to the extent such information is determined confidential under Iowa Code Chapter 22 or other applicable law by a court of competent jurisdiction.

In the event the Department receives a request for information marked confidential, written notice shall be given to the bidder seventy-two (72) hours prior to the release of the information to allow the bidder to seek injunctive relief pursuant to Section 22.8 of the Iowa Code.

The bidder's failure to request confidential treatment of material pursuant to this section and the relevant law will be deemed by the Department as a waiver of any right to confidentiality which the bidder may have had.

2.20 Copyrights - By submitting a bid proposal, the bidder agrees that the Department may copy the bid proposal for purposes of facilitating the evaluation of the bid proposal or to respond to requests for public records. The bidder consents to such copying by submitting a bid proposal represents and warrants that such copying will not violate the rights of any third party. The Department shall have the right to use ideas or adaptations of ideas that are presented in the bid proposals.

2.21 Release of Claims - By submitting a bid proposal, the bidder agrees that it will not bring any claim or cause of action against the Department based on any misunderstanding concerning the information provided herein or concerning the Department's failure, negligent or otherwise, to provide the bidder with pertinent information as intended by this RFP.

- 2.22 Presentations** - Bidders may be required to make a presentation of the bid proposal. The presentation may occur at the Department's offices or other designated place or at the offices of the bidder. The determination as to need for presentations, the location, order, and schedule of the presentations is at the sole discretion of the Department. The presentation may include slides, graphics and other media selected by the bidder to illustrate the bidder's bid proposal. The presentation shall not materially change the information contained in the bid proposal.
- 2.23 Evaluation of Bid Proposals** - Bid proposals that are submitted timely and are not subject to disqualification will be reviewed in accordance with Section 5 of the RFP.
- 2.24 Notice of Intent to Award** - Notice of Intent to Award the contract will be sent by mail to all bidders submitting a timely bid proposal. The Notice of Intent to Award is subject to execution of a written contract and CMS approval and, as a result, the Notice does not constitute the formation of a contract between the Department and the apparent successful bidder.
- 2.25 Acceptance Period** - Execution of the contract shall be completed no later than the date specified in the Procurement Timetable. If the apparent successful bidder fails to negotiate and execute a contract, in its sole discretion, the Department may revoke the Notice of Intent to Award and enter into negotiations with the next highest ranked bidder or withdraw the RFP.
- The Department further reserves the right to cancel the RFP or negotiations at any time prior to the execution of a written contract.
- 2.26 Review of Notice of Intent to Award Decision** - Bidders may request review of the award decision by filing a judicial review action pursuant to Iowa Code Chapter 17A.19.
- 2.27 Definition of Contract** - The full execution of a written contract shall constitute the making of a contract for services and no bidder shall acquire any legal or equitable rights relative to the contract services until the contract has been fully executed by the apparent successful bidder and the Department.
- 2.28 Choice of Law and Forum** - This RFP and the resulting contract are to be governed by the laws of the state of Iowa, excluding the conflicts of law provisions thereof. Changes in applicable laws and rules may affect the contracting process or the resulting contract. Bidders are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP shall be brought in the appropriate Iowa forum.
- 2.29 Restrictions on Gifts and Activities** - Iowa Code Chapter 68B restricts gifts which may be given or received by state employees and requires certain individuals to disclose information concerning their activities with state government. Bidders are responsible for determining the applicability of this Chapter to their activities and to comply with the requirements. In addition, pursuant to Iowa Code Section 722.1, it is a felony offense to bribe or attempt to bribe a public official.

- 2.30 No Minimum Guaranteed -** The Department anticipates that the selected bidder will provide services as requested by the Department. The Department will not guarantee any minimum compensation will be paid to the bidder or any minimum usage of the bidder's services.

Section 3 Service Requirements

3.1 Introduction

The successful bidder (“Broker”) of this Request for Proposals (RFP) will negotiate rates, through subcontracts with transportation providers, make the arrangements for transportation services, and manage all aspects of transportation provided under the non-emergency medical transportation (NEMT) program. This includes arranging for transportation services for all eligible Members residing in all counties of the State of Iowa for in-state and out-of-state travel, and paying the claims of these transportation providers.

Certain Medicaid providers, such as Federally Qualified Health Centers (FQHC’s) and Local Education Agencies (LEA’s) provide non-emergency medical transportation as a directly reimbursable service under the Medicaid Program. This RFP excludes the directly reimbursable non-emergency transportation service of those providers, as the Department intends to continue directly reimbursing such claims. In addition, the historical transportation cost figures set forth in Section 3.1.1.2 exclude the costs of these directly billed transportation claims.

The Broker will utilize Public Transit agencies, private transportation agencies and individuals. The network of providers may also include other transportation alternatives, such as the services of volunteers, taxis, wheelchair vans, stretcher vans, ambulances, and air ambulances (fixed wing and rotary). All transportation is to be provided with an occupant protection system that addresses the safety needs of the disabled or special needs individuals.

This change to a brokerage system is expected to result in streamlined transportation services for all eligible Medicaid populations, as well as reductions to provider and Member challenges in obtaining transportation services. The Broker will process NEMT claims and reimburse the transportation providers for services provided under the NEMT program.

Governmental and non-governmental entities are eligible to bid on this RFP. If a governmental entity submits a bid, it must show how the governmental entity can comply with the requirements of 42 C.F.R. § 440.170(a)(4) and other guidance issued at 73 Fed. Register 77519.

3.1.1 Non-Emergency Medical Transportation

Section 6083 of the Deficit Reduction Act of 2005 (DRA) (Pub. L. 109-171, February 2006), allows States to implement a Non-Emergency Medical Transportation Brokerage Program to provide transportation to Medicaid beneficiaries who need access to medical care but have no other means of transportation. Language within this RFP defines requirements as mandated by Section 6083, federal regulations published at 42 C.F.R. § 440.170(a), as well as state law requirements.

3.1.1.1 Members/Individuals/Volunteers

Since December 1, 2009, Medicaid Members/individuals/volunteers have been reimbursed at 30 cents per mile. The reimbursement rate was 34 cents per mile from September 1, 2008 through November 30, 2009. Prior to September 1, 2008, the reimbursement rate was 30 cents per mile. These Members/individuals/volunteers submit a medical transportation claim on form 470-0386

(Attachment H) to their local Income Maintenance Worker (IMW) at their local Department of Human Services (DHS) office. The IMW then reviews the claims, verifies the medical trip took place and the miles driven, and then processes these claims for reimbursement. All NEMT reimbursements are currently made by the DHS Fiscal Management Division, through the State of Iowa vendor reimbursement system, known as I/3.

The claim form 470-0386 identifies five sets of data elements:

1. The first data element is the Member's name, address, phone number, and State identification (SID) number;
2. The second data element is the trip information which identifies the name of the transportation provider, their address, the type of provider, dates of the trip, the departure and return time, the total miles driven, and total charges for meals and lodging;
3. The third data element is the medical services section, which is filled out by the medical provider, and includes the provider's name, address, and phone number, the medical provider type, the date(s) of service and time in and time out of the appointment, a signature of the provider or authorized representative, attesting to the appointment, and whether an escort and/or an overnight stay is required;
4. The fourth section is the certification of the Member attesting to receipt of the services and allowing the Department to contact either the transportation and/or medical provider to verify the provision of services;
5. The last section is for the verification and approval of the claim by the IMW. The IMW also signs off on the claim.

The Department anticipates discontinuing use of the transportation claim form when the Broker begins operations, but all data recorded on this form must be captured by the successful Bidder, with the exception of the signatures. DHS encourages Bidders to develop an electronic claims submission solution for transportation providers, while maintaining a database of claims for audit purposes. An Internet claims submission solution is the desired method, but Broker-developed and State approved paper claims should also be made available for those individuals without Internet access.

During SFY09, there were 349,407 Medicaid members eligible for the NEMT program. Of these, approximately 4,614 individuals were reimbursed, on average, each month for NEMT. Currently the IME does not have a system to track the actual number of Members who have benefited from the NEMT program. The number of people reimbursed for transportation and claims paid each month are the only items tracked.

3.1.1.2 Transportation Agencies

Transportation agencies currently bill by mile or by trip. Transportation agencies are reimbursed their usual and customary charge, not to exceed the charge that would be the most economical available source, not to exceed \$1.40 per mile. The \$1.40 cap was added to the NEMT policy effective December 1, 2009.

Transportation agencies also submit claims using the medical transportation claim form (470-0386). All NEMT reimbursements are made by the DHS Fiscal Management Division, through the State of Iowa vendor reimbursement system, known as I/3. If the transportation provider would like to be paid directly from the Department, they must be enrolled as a State of Iowa vendor (through the Department of Administrative Services, State Accounting Enterprise).

Below is NEMT utilization data for the past three state fiscal years. The column titled “# of Eligible Members” identifies the number of Medicaid Members eligible for NEMT. It does not indicate the actual number of Members who utilized NEMT.

	# of Eligible Members	# of Claims	Dollar amount
SFY 07	317,137	70,091	\$5,352,398.05
SFY 08	325,302	77,965	\$6,760,762.78
SFY 09	349,407	87,999	\$7,801,701.68

3.2 Scope of Work

3.2.1 General Requirements

The Broker will be required to ensure that all eligible Medicaid Members receive transportation services that are safe, reliable and on time by providers who are licensed, qualified, competent, and courteous. This section sets forth the duties and responsibilities of the Broker under this RFP and the resulting contract.

3.2.1.1 Contract Management

State oversight of the contractor’s performance and payments to the contractor are tied to meeting the performance standards identified in the contract awarded through this RFP.

3.2.1.2 Performance Reporting and Quality Assurance

- a. The contract awarded through this RFP will contain performance standards that reflect the performance requirements in this RFP.
 1. The standards will include timeliness, accuracy, and completeness for performance of reporting operational functions.
 2. These performance standards must be quantifiable and reported using as much automation as possible.
- b. Meeting the performance standard in the selected indicators will represent average performance.
 1. The Department and the contractor will finalize specific performance reporting and measurements during the first year of operations.
- c. In addition the contractor is responsible for internal quality assurance activities. The scope of these activities include the following:
 1. Identify deficiencies and improvement opportunities within the contractor’s area of responsibility.
 2. Provide the Department with a corrective action plan within ten business days of discovery of a problem found through the internal quality control reviews.
 3. Agree upon timeframes for corrective actions.
 4. Meet all corrective action commitments within the agreed upon timeframes.

3.2.1.3 State Responsibilities

- a. The Department's Contract Administrator for the IME is the principal contact with the transportation Broker and coordinates interaction between the Department and the Broker. The Department's Contract Administrator is responsible for the following activities:
 1. Monitor the contract performance and compliance with contract terms and conditions.
 2. Service as a liaison between the Broker and the Department.
 3. Review and approve operational procedure manual and any updates to the manual.
 4. Review and approve the documentation as required by the Department.
 5. With participation from the contractor, develop the report of the contractor's compliance with performance standards, negotiate reporting requirements and measure compliance for the contractor's responsibilities.
 6. Coordinate State and federal reviews and assessments.
 7. Consult with the contractor on quality improvement measures and determination of areas to be reviewed.
 8. Review, approve, and monitor proposed corrective action plans.
 9. Direct Broker to attend transportation meetings or seminars (statewide, regional or local) as deemed appropriate.

3.2.1.4 Broker Responsibilities

The Broker is responsible for the following contract management activities:

- a. Develop an operational procedures manual for the Department's review and approval, in the format required.
- b. Update the operational procedures manual when changes are made, for the Department's review and approval, in the format required.
- c. Develop and maintain a database for tracking NEMT. Reports will be developed from the database information that will include, but may not be limited to, the following:
 1. Name and State identification number of Medicaid Member
 2. Name of Network transportation provider or Member/individual/volunteer providing the transportation
 3. Type of transportation provided (automobile, wheelchair van, stretcher van, ambulance, air ambulance, commercial air, etc.)
 4. Time/Location of Member pick-up, plus on-time verification
 5. Time/Name of Medicaid service provider and Location of Member drop-off, plus on-time verification
 6. Number of miles driven/ flown
 7. Meals and lodging reimbursement, if any:
 - a) Name and address of lodging provider
 - b) Date(s) of stay
 - c) Daily rate, including taxes, and total cost of lodging
 - d) Cost of meals for each (Breakfast, Lunch, Dinner)

- d. Develop, maintain, and provide access to records required by the Department, State, and federal auditors/reviewers.
- e. Develop an electronic billing invoice and system that will allow Members/individuals/volunteers and Transportation agencies to bill electronically through the Internet.
 - 1. Develop and provide a paper billing invoice and system to allow Members/individuals/volunteers and Transportation agencies to bill by paper if Internet access is not available to them.
- f. Provide reports necessary to show compliance with all performance standards and other contract requirements.
- g. Provide to the Department reports/updates regarding the Broker's activities.
- h. Ensure that effective and efficient communication protocols and lines of communication are established and maintained both internally and with Department staff. No action shall be taken which has the appearance of or effect of reducing open communication and association between the Department and the Broker.
- i. Meet regularly with the Contract Administrator and/or other staff/units of the IME to review account performance and resolve issues between the Broker and the State.
- j. Meet all federal and state privacy and security requirements within the Broker's operation.
- k. Work with the Department to implement quality improvement procedures that are based on proactive improvements rather than retroactive responses. The Broker must understand the nature of and participate in quality improvement procedures that may occur in response to critical situations and will assist in the planning and implementation of quality improvement procedures based on proactive improvement.
- l. Monitor the quality and accuracy of the Broker's own work.
- m. Submit quarterly reports (available electronically) of the quality assurance activities, findings, and corrective actions (if any) to the Department.
- n. For any performance falling below a State-specified level, explain the problems and identify the corrective action to improve the rating.
 - 1. Implement a State-approved corrective action plan within the timeframe negotiated with the State.
 - 2. Provide documentation to the Department demonstrating the corrective action is complete and meets the State requirements.
 - 3. Meet the corrective action commitments within the agreed upon timeframe.
- o. Maintain Department-approved documentation of the methodology used to measure and report completion of all requirements and attainment of all performance standards.

3.2.1.5 Performance Standards

The following performance standards apply:

- a. Reporting Deadline
 - 1. Provide the required reports within ten business days of the end of the reporting period.
- b. Documentation
 - 1. Develop operational procedure manuals in the state-prescribed format for Department review and approval at least 20 business days prior to the start of operations.

2. Update operational procedure manuals in the state-prescribed format within ten business days of the implementation of a change.
 3. Develop and maintain a database for tracking NEMT. The database will be updated monthly.
 4. Identify deficiencies and provide the Department with a corrective action plan within ten business days of discovery of a problem found through the internal quality control reviews.
- c. Annual Performance Reporting:
The Broker will provide annual performance reporting no later than October 15 of each contract year for the state fiscal year that ended in the prior month of June. (The first Annual Performance Report is due October 15, 2011, for the start of operations through June 30, 2011) The Broker will present the required data in Department-approved format and content for the annually reported performance standards. DHS may publish the annual measurements or make them available online through the IME website.

3.2.2 NEMT: Brokerage Process

The basic steps the Broker will follow in arranging transportation, verifying eligibility, and, if applicable, reimbursing transportation providers for services, are as follows:

- a. The Broker is contacted by the Member or the Member's representative, either through a telephone call or electronic mail, requesting NEMT transportation services. The Broker obtains and tracks the request and trip information including the date and time of the request, the date, time and place of the appointment, and whether it is a recurring or one-time trip.
- b. The Broker reviews the trip request and verifies the Member's Medicaid eligibility for the requested date(s) of service.
- c. The Broker assesses the Member's eligibility for transportation services in accordance with current NEMT transportation policy. This includes a determination that the Member has also met program requirements as defined in 441 IAC 78.13.
- d. The Broker will verify the transportation need by confirming the medical appointment with the service provider.
- e. Any special needs of the Member are noted that may affect the mode of transportation, and the Broker selects the appropriate mode of transportation.
- f. Upon completion of the screening of a Member and determination of trip eligibility, the Broker authorizes the transportation service and informs the Member or his or her representative of the scheduled pick-up time.
- g. The Broker assigns the trip to the most appropriate cost-effective transportation provider available, consistent with the transportation needs of the Member. The transportation provider is notified of the assignment in sufficient time to accept the trip or reject it, in which case there must be sufficient time to assign the trip to another provider.
- h. The Broker will have an established method of effectively identifying, scheduling, and coordinating standing orders or recurring trips, especially as it applies to those Members who are disabled or have special needs.
- i. The Broker informs the Member or his or her representative of the transportation arrangements.
- j. The Broker or transportation provider re-confirms the pick-up with the Member or his or her representative 24 hours ahead of the scheduled appointment to reduce the possibility of a no-show.

- k. After the trip occurs, the Broker makes payment to the transportation provider. The Broker may contact the service provider to verify that the Member received the authorized transportation service.

These procedures are generally applicable when network transportation providers are used. The procedures may vary when fixed-route public transportation (bus passes and tickets), mileage reimbursement or other appropriate transportation services are used.

3.3 Contract Phases

3.3.1 Implementation

The transition to a Brokerage system will begin the first business day following contract execution and extend until midnight of the day identified as the first business day of operations. This will be known as implementation.

3.3.1.1 State Responsibilities

- a. Approve the Broker's candidate for Account Manager.
- b. Approve the Broker's call center and central business office location.
- c. Review and approve the Broker's Network plan.
- d. Provide computer equipment (Desktop computers and printers)
- e. Provide access to the appropriate State systems for verifying Member eligibility.
- f. Review and approve the Broker-developed electronic claim form.
- g. Review and approve information that will assist in the education of Members regarding NEMT changes resulting from the brokerage system.

3.3.1.2 Broker Responsibilities

The Broker will:

- a. Identify and hire an Account Manager to supervise and manage the day-to-day operations of the brokerage and the contract. The Account Manager will be the Department's point of contact through whom the parties will communicate, resolve issues, and negotiate with regarding the contract responsibilities.
- b. Establish a central business office within five miles of the Iowa Medicaid Enterprise facility, which is located at 100 Army Post Road, Des Moines, Iowa. The location must meet the wiring specs for connectivity with DHS systems. The Broker will bear the expenses of connecting to DHS systems and will provide first-level computer/technical support for those systems.
- c. Develop a Network plan for the Department's review and approval. The plan must include an alternative access plan for rural areas or where services may not be readily available.
- d. Establish a call center.
- e. Develop an electronic claim form.
- f. Develop and provide information to the Department to assist in educating Members regarding:

1. The availability of non-emergency medical transportation,
2. The process for single trips and standing orders,
3. How to access and use these services properly, and
4. Billing procedures in order to receive reimbursement for NEMT.

These materials should be developed prior to the initiation of the brokerage system and ongoing, as updates are needed. The materials must be available in English and Spanish.

3.3.1.3 Performance Standards

- a. The Broker will develop a Network Plan, including alternative access information, and present it to the IME for approval 20 business days prior to the start of operations.
- b. The Broker will provide information that will assist in the education of Members regarding NEMT changes resulting from the brokerage system to the IME for approval 45 business days prior to the start of operations.

3.3.2 Operations

Operations begin when the State has authorized the contractor (Broker) to begin operation. The operational responsibilities will involve meeting performance standards set by the Department for the functions performed by the Broker. All NEMT claims with dates of service on or after the first day of operations will be the responsibility of the Broker for reimbursement.

3.3.2.1 NEMT: Network Providers and Individuals

3.3.2.1.1 State Responsibilities

- a. Review and approval of Member (NEMT services) denial letter form.
- b. Review and approval and ongoing monitoring of the Broker's Network Plan, and changes to it, including approval of subcontracts.

3.3.2.1.2 Broker Responsibilities: General

- a. The Broker will make the transportation arrangements for all Medicaid Members who qualify for NEMT services. All NEMT transportation for eligible Members will be coordinated through the successful Broker. The Broker may deny requests for transportation if:
 1. The Member doesn't qualify for transportation services, based on his/her Medicaid eligibility category (see Section 3.3.2.2.2 for eligibility guidelines).
 2. If the conditions for allowing transportation, as defined in 441 Iowa Admin. Code § 78.13 are not met.
- b. The Broker will send a Notice of Decision (NOD) letter to all Members who have requested NEMT services. These NOD's will either approve or deny the service. When the Broker has denied any Member's request, the NOD letter must be post marked within 72 hours of the request.
 1. The Broker will develop NOD letters approving and denying NEMT services. In a letter of denial, the Broker must cite the applicable administrative code section. The letter will

also identify the Member's appeal rights as provided in 441 Iowa Admin. Code chapter 7. Please see 3.3.2.1.2.1 Notice of Adverse Action for Service Authorizations.

2. The Broker will provide information for and represent the Department in appeal hearings.

3.3.2.1.2.1 Notice of Adverse Action for Service Authorizations

The Broker will provide appropriate and timely written notice to the Member/Provider of any decision to deny a service authorization request, or to authorize a service in an amount, duration, or scope that is less than requested or agreed upon, or any action, as "action" is defined in section 3.3.2.6.2.1. Notice is not required to the Member when an action is due to the Network provider's failure to adhere to contractual requirements and there is no adverse action against the Member.

3.3.2.1.2.1.1 The NOD must explain:

- a. the action the Broker has taken or intends to take and the reason(s) for the action;
- b. the Member's or Provider's right to grieve, complain, or request a State Fair Hearing as specified in section 3.3.2.6
- c. circumstances under which expedited resolution is available and how to request it;
- d. that during the state fair hearing, the Member/Provider may represent him(her)self or use legal counsel, a relative, a friend, or a spokesperson;
- e. the specific regulations that support, or the change in federal or state law that requires, the action, and

3.3.2.1.2.1.2 The notice must be in writing and must meet the language requirements:

- a. the Broker in conjunction with DHS shall identify the non-English languages prevalent (i.e., spoken by a significant number or percentage of the Member's and potential population);
- b. the Broker must make available written information in each prevalent non-English language;
- c. the Broker must make oral interpretation services available for all languages free of charge, and
- d. the Broker must notify Members that oral interpretation is available for any language and written information is available in prevalent languages, and how to access those services.

3.3.2.1.2.1.3 The notice must meet format requirements.

- a. Written material must use an easily understood format, and be available in alternative formats that take into consideration those with special needs.
- b. Members must be informed of the availability of alternative formats and how to access those formats.

3.3.2.1.3 Broker Responsibilities: Network Transportation Providers

The Broker will assume responsibility for all applicable transportation of each eligible Member as of the start date of operations. The Broker will ensure the provision of necessary NEMT services by establishing a network of providers through the use of subcontracts. These providers are referred to in this RFP as "Network providers".

The Broker will subcontract with Public Transit agencies, private transportation agencies and individuals to develop a statewide network of providers that will meet the needs of Iowa's Medicaid members.

The Broker will make use of public transportation when appropriate. The Broker will use fixed route public transit service whenever possible and appropriate to the need and ability of the Member. The Broker will develop and implement procedures to determine whether fixed-route public transportation is accessible to and appropriate for the Member requesting transportation services. Such procedures will take into account the distance from scheduled stops at facilities or service providers, the age and disability of the Member, any physical or cognitive impairment, inclement weather conditions and other pertinent factors. If public transit is appropriate, the Broker will allow the public transit provider first choice in compliance with Iowa Code chapter 324A, as to whether they will accept the trip or deny it, as long as the referral otherwise complies with obligations of 42 C.F.R. § 440.170(a).

This network of providers may also include, but is not limited to, the services of volunteers, taxis, wheelchair vans, stretcher vans, ambulances, and air ambulances (fixed wing and rotary). All transportation is to be provided with an occupant protection system that addresses the safety needs of the disabled or special needs individuals.

The Broker's network will be such that the services are sufficient in amount, duration, or scope to reasonably be expected to achieve the purpose for which the services are furnished. NEMT is available to Members only when 441 IAC 78.13 rules are met. See http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual_Documents/Rules/441-78.pdf

The Broker will not arbitrarily deny or reduce the amount, duration, or scope of a required service solely because of cost savings, bias, or self-motivated reasons. The Broker may place appropriate limits on a service on the basis of criteria such as need related to the ability to ambulate or utilization control, provided the services furnished can reasonably be expected to achieve their purpose.

The Broker will negotiate fair and reasonable rates with the network providers and will be responsible for reimbursing the NEMT transportation claims. The Broker will be prohibited from providing transportation services directly or making referrals to transportation providers if the relationship would constitute a conflict of interest. See 42 C.F.R. § 440.170(a)(4)(ii)(B) for narrow exceptions to this prohibition. The Broker must subcontract only with providers that meet the following requirements and are approved by the IME:

3.3.2.1.3.1 Standard Driver Guidelines

All drivers:

- a. Must Possess a current valid driver's license with no restrictions other than corrective lenses.
- b. Must have no limitation or restrictions that would interfere with safe driving. This includes, but not limited to, medical conditions, ignition interlock restriction, or prescribed medication that would interfere with the safe, lawful operation of a motor vehicle.
- c. Must pass a pre-employment drug screening.
- d. Must pass a Department of Criminal Investigation (DCI) background check prior to the start of employment, if required to do so by the Network transportation provider.
- e. Must pass a child and dependent adult abuse background check, if required to do so by the Network transportation provider.
- f. Any provider (both individual and entity) identified on the Office of Inspector General (OIG) Excluded Parties List System (EPLS) is not eligible.
- g. Must be trained in the use of ADA access equipment, if vehicle is so equipped.
- h. Must use passenger restraint devices as required by law.
- i. Must provide assistance to passengers, as needed or requested, particularly for passengers with mobility impairments requiring assistance in boarding, debarking, or securing a mobility device.
- j. Must not smoke while transporting Members.
- k. Must not transport Members while under the influence of alcohol or any drug that impairs the ability to drive safely.
- l. Must not provide transportation if they have an illness that could pose a threat to the health and well being of the Member.
- m. Must submit to random drug and alcohol screenings, if required to do so by the Network transportation provider.

3.3.2.1.3.2 Standard Vehicle Guidelines

All vehicles:

- a. Must currently be licensed and registered as required by law.
- b. Must have proof of financial responsibility maintained on any vehicle used to transport Iowa Medicaid Members as required by law. The Broker shall confirm compliance with applicable financial responsibility and/or insurance requirements, which may include Iowa Code chapter 321A, and 761 IAC 910.5(1).
- c. Must be kept at all times in proper physical and mechanical condition.
- d. Must be equipped with operable passenger restraint devices, turn signals, lights, horn, brakes, a front windshield, windows, and mirrors.
- e. Must pass a safety inspection, if required to do so by state or federal law.
- f. Must carry equipment for two-way emergency communication (two-way radio or cell phone acceptable).

3.3.2.1.4 Broker Responsibilities: Members/Individuals/Volunteers

Medicaid Members, who are eligible for NEMT, may request that someone, other than a Network provider, transport them. The Member may be able to drive him or herself, request that a family member or other acquaintance provide the transportation, or make arrangements with a volunteer for transportation. In any case, the Broker will coordinate the request and make the decision on who provides the transportation. The Broker will ensure the provision of necessary NEMT services by either approving the transportation by someone other than a Network provider, or by making other arrangements for the transportation through a Network provider.

3.3.2.1.4.1 Standard Driver Guidelines

All drivers:

- a. Must possess a current valid driver's license with no restrictions other than corrective lenses.
- b. Must have no limitation or restrictions that would interfere with safe driving. This includes, but not limited to, medical conditions, ignition interlock restriction, or prescribed medication that would interfere with the safe, lawful operation of a motor vehicle.
- c. Identified on the Office of Inspector General (OIG) Excluded Provider List are not eligible.
- d. Must be trained in the use of ADA access equipment, if vehicle is so equipped.
- e. Must use passenger restraint devices as required by law.
- f. Must provide assistance to passengers, as needed or requested, particularly for passengers with mobility impairments requiring assistance in boarding, deboarding, or securing a mobility device.
- g. Must not smoke while transporting Members.
- h. Must not transport Members while under the influence of alcohol or any drug that impairs the ability to drive safely.

3.3.2.1.4.2 Standard Vehicle Guidelines

All vehicles:

- a. Must currently be licensed and registered as required by law.
- b. Must have proof of financial responsibility maintained on any vehicle used to transport Iowa Medicaid Members as required by law. The Broker shall confirm compliance with applicable financial responsibility and/or insurance requirements, which may include Iowa Code chapter 321A, and 761 IAC 910.5(1).
- c. Must be kept at all times in proper physical and mechanical condition.
- d. Must be equipped with operable passenger restraint devices, turn signals, lights, horn, brakes, a front windshield, windows, and mirrors.
- e. Must pass a safety inspection, if required to do so by state or federal law.

If NEMT transportation is provided by someone other than a Network provider, the Broker is also responsible for reimbursement of these claims.

3.3.2.1.5 Performance Standards

- a. The Broker must provide a monthly updated Network Plan by the tenth business day of the month following the last day of each month.
- b. The Broker will verify annually and have documentation to support, that each network provider is following the “Standard Driver Guidelines” identified in Section 3.3.2.1.3.1 and 3.3.2.1.4.1.
- c. The Broker will ensure annually and have documentation to support, that each network provider is following the “Standard Vehicle Guidelines” identified in Section 3.3.2.1.3.2 and 3.3.2.1.4.2.

3.3.2.2 Verification of Member Eligibility

3.3.2.2.1 State Responsibilities

- a. Provide information on eligibility updates for NEMT services.

3.3.2.2.2 Broker Responsibilities

For each Member requesting non-emergency transportation services, the Broker will verify the Member’s Medicaid eligibility through the Medicaid Management Information System (MMIS). Eligible NEMT Medicaid Members as defined in this RFP, are any Medicaid member (adult or child) except:

- a. Members who are determined program eligible as a QMB, SLMB, E-SLMB, or QDWP (i.e., Members not eligible for full Medicaid benefits);
- b. Individuals participating in the Family Planning Waiver;
- c. Individuals receiving benefits under IowaCare, or
- d. Individuals who are Medically Needy and who have not met spenddown requirements. The Broker will track claims submitted for the spenddown until and reimburse Medically Needy Members when they have met spenddown requirements.

3.3.2.2.3 Performance Standards

- a. The Broker will verify eligibility for transportation services within one hour of transportation arrangement requests from Members or their representatives during normal business hours (8am – 5pm).
- b. When requests for transportation occur after hours or on weekends/holidays, the Broker will verify eligibility for transportation services within the first two hours of the next business day.

3.3.2.3 Office/Telephone Call Center and Appointment Standards

3.3.2.3.1 State Responsibilities

- a. Determine policies regarding appointment standards.

3.3.2.3.2 Broker Responsibilities: Call Center

- a. The call center will provide professional, prompt and courteous customer service. The Broker will establish and maintain an adequately staffed call center and ensure that the staff treats all callers with dignity and respect, including making sure the caller's right to privacy and confidentiality are maintained. Telephone and administrative personnel must be familiar with NEMT services.
- b. The Broker will process all incoming telephone inquiries for NEMT in a timely, responsive, and courteous manner.
- c. The telephone numbers must be listed in the name of the Iowa Department of Human Services. The Broker will relinquish ownership of the toll-free numbers to DHS upon contract termination.
- d. The Broker will ensure that the communication and language needs of all Members are addressed, including those of all non-English speaking Members. The Member cannot be charged for translator or interpreter services.
- e. The Broker will ensure that Members with emergency requests are referred or transferred immediately to 911 or an appropriate local emergency ambulance service. The Broker will not make arrangements for emergency transportation under its contract.
- f. At a minimum, the call center will be staffed to receive reservation requests and inquiries from Members or their representatives during the hours of 8:00 AM to 5:00 PM (local time) Monday through Friday.
- g. Relative to after hours, including after 5:00 PM to 8:00 AM, Monday through Friday and on weekends and holidays, a 24 hour telephone service is required to accommodate scheduling for next day appointments and/or arrange transportation when the Member has been stranded. (Holiday schedules are to be identical to the declared holidays of the State of Iowa.)
- h. The Broker must provide 24-hour, 7 days per week access by telephone to a live voice (an employee of the Broker or an answering service) that will immediately page an on-call employee of the Broker to address transportation problems during non-office hours.
- i. The Broker will have a sufficient number of properly functioning toll-free and V/TTY telephone numbers for Members and other responsible parties to request transportation services and to obtain information about transportation services. Members shall not incur a charge for placing a call, other than those applicable for local calls.

3.3.2.3.3 Broker Responsibilities: Appointments

The Broker is responsible for scheduling all NEMT travel, including lodging, if required, for all eligible Medicaid Members. The Broker must also meet the minimum federal requirements, as

defined in 42C.F.R. § 440.170, for provision of transportation services, as well as applicable Department rules.

- a. The Broker is responsible at the time of scheduling for determining whether the Member is eligible for ambulatory or non-ambulatory non-emergency medical transportation. Emergency ambulance services are not provided through the NEMT program.
- b. If a Member requires same day or next day service, the Broker must make every effort to schedule the trip as requested. Denial of NEMT service due to short notice is not acceptable.
- c. If a Member requires out-of-State travel for NEMT, the Broker will respond to requests by scheduling these within 24 hours of the request.
- d. The Broker is expected to accommodate passengers who have disabilities or special health care needs. Members with developmental or intellectual disabilities who have recurring trips must, to the extent possible, be scheduled continuously with the same providers and drivers. Similar accommodations should be provided to Members who are physically frail, receiving dialysis, or are dealing with other significant mobility or healthcare issues. The Member's family and the transportation provider should be notified by the Broker at least 48 hours in advance of any known changes in drivers or providers. The Broker and transportation provider should strive to maintain consistent routes and pick-up and drop off times, once efficient routes have been established.
- e. Pick up and drop off requirements
 1. The Broker will ensure that a Member's wait time for a Network provider is no more than 15 minutes prior to or 15 minutes after the scheduled arrival time.
 2. The Broker will ensure that a Member is not delayed in arriving at a medical appointment due to a delay caused by a Network provider.
 3. In the event of an emergency or unforeseen circumstance that prevents the Network provider from meeting the approved window of time for pick up or delivery, the Network provider must contact the Broker and/or the Member to notify them of the occurrence and coordinate resolution. It is ultimately the responsibility of the Broker to ensure the transportation request is fulfilled to the satisfaction of the Member.
 - a) In the event a delay renders the Member late for their appointment or causes them to miss the appointment, details of the occurrence and resolution must be recorded and provided to the IME.
 - b) In the event the Member is delayed due to a time overage for a medical appointment or service, and the Network provider has waited at least 15 minutes past the time of scheduled pick-up:
 - 1) The Network provider must notify the Broker of their intention to leave the pickup location, prior to leaving.
 - 2) The Broker must then notify the Member and schedule the Member's return trip.
 - 3) Once the new pick up time is scheduled, the Broker must have transportation available to the Member within 15 minutes of the new requested pick up time.
- f. The Broker and a Network provider may work together to group trips to reduce the Members' travel time and to promote efficiency and cost effectiveness. Increased travel time for a

- group trip cannot exceed by more than 45 minutes when compared to the time that would normally be taken by the Member first picked up to complete the trip without stops.
- g. The furthest distance a Member is expected to walk to a bus stop is one-half (1/2) of a mile.

3.3.2.3.4 Performance Standards

- a. Call abandon rate must be 5% or less. Calls are considered abandoned if the Member does not talk with a customer service representative.
- b. Average wait time of calls will be less than three minutes 90% of the time, measured on a monthly basis.
- c. The Broker will schedule and make transportation arrangements for same day or next day transportation services 100% of the time.
- d. The average waiting time for all pickups prior to and after their medical appointments will not exceed fifteen (15) minutes 95% of the time and at least 100% of all pick-ups must be within twenty (20) minutes of the scheduled pick-up time.
- e. Members will arrive on time for their appointments 100% of the time.

3.3.2.4 NEMT Reimbursement

3.3.2.4.1 State Responsibilities

- a. Review and approve monthly Broker contract payments.

3.3.2.4.2 Broker Responsibilities

The Broker is responsible for reimbursing all NEMT claims to Network providers and Members/individuals/volunteers, including claims for mileage, meals, and lodging. As a part of this responsibility, the Broker must comply with all state and federal tax reporting laws. Transportation agencies currently bill by mile or by trip. Transportation agencies are reimbursed their usual and customary charge, not to exceed the charge that would be the most economical available source, with a cap of \$1.40 per mile for ground transportation. Medicaid Members/individuals/volunteers are currently reimbursed at 30 cents per mile. The Department intends to change the Iowa Administrative Code at 441—78.13 to remove these reimbursement requirements, and revise the rules to allow a broker system, effective with the first date of operations of the brokerage.

The Department currently uses the Department of Administrative Services (DAS), State Accounting Enterprise (SAE) rates and procedures for meal and lodging reimbursement. The DAS rates for meals and lodging are considered to be maximums.

- a. DAS has established reasonable maximum meal reimbursements through the authority of 11 Iowa Admin. Code § 41.6(2).
- b. For a complete listing of DAS – SAE rules affecting reimbursement for meals and lodging, please refer to their website at: http://das.sae.iowa.gov/internal_services/210_travel.html. Receipts are required to be submitted for all meal and lodging reimbursements.

The Department intends to change the Iowa Administrative Code at 441—78.13 to remove these reimbursement requirements, and revise the rules to allow a broker system, effective with the first date of operations of the brokerage.

3.3.2.4.3 Performance Standards

- a. 90% of all Network provider or Member/individual/volunteer claims will be processed and paid or denied within ten (10) business days of a complete and valid claim form.
- b. 95% of all Network provider or Member/individual/volunteer claims will be processed and paid or denied within fifteen (15) business days of a complete and valid claim form.
- c. 100% of all Network provider or Member/individual/volunteer claims will be processed and paid or denied within twenty (20) business days of a complete and valid claim form.

3.3.2.5 Member Education

3.3.2.5.1 State Responsibilities

- a. Provide information on NEMT program or policy changes to the Broker.
- b. Review and approve all written materials.
- c. Distribute brokerage system information to Members.

3.3.2.5.2 Broker Responsibilities

- a. The Broker will issue updates to the information provided to Members on an as-needed basis, when there are material changes that will affect access to services. This includes additions and changes to the provider network.

3.3.2.5.3 Performance Standards

- a. The Broker will update all written materials within 15 business days after an NEMT program or policy change.

3.3.2.6 Grievance, Complaints and State Fair Hearings System

3.3.2.6.1 State Responsibilities

- a. Review and approve the Broker's grievance and complaints forms and tracking tools.
- b. Provide information to the Broker regarding the State Fair Hearing process.

3.3.2.6.2 Broker Responsibilities

The Broker shall have a system in place for Members/Individuals/Volunteers and Network Providers that allows for a grievance and complaints process and access to the State agency's fair hearing system.

3.3.2.6.2.1 Definitions

Action – Can mean any of the following:

- Denial or limited authorization of a requested service, including the type or level of service;
- Reduction, suspension, or termination of a previously authorized service;
- Denial in whole or in part, of payment for a service

Appeal – A request for review of an action, as action is defined in this section.

Appeal Process – The Broker's process for informing Members/Providers regarding the right to file an appeal with the State Fair Hearing system and the process for doing so.

Grievance or Complaint – An expression of dissatisfaction about any matter other than an action. Possible subjects for grievances or complaints include, but are not limited to, the quality of the services provided, and aspects of interpersonal relationships such as rudeness of a Network provider's employee, or failure to respect the Member's rights.

Grievance or Complaint Process – The Broker's process for handling of grievances or complaints that complies with the requirements specified herein, including, but not limited to, the procedural steps for a Member/Provider to file a grievance or complaint, the process for disposition of a grievance or complaint, and the timing and manner of required notifications.

Grievance, Complaint, and State Fair Hearing System – The overall system in place for Members/Providers that includes a grievance or complaint process and access to the State Fair Hearing system.

Inquiry – A request from a Member/Provider for information that would clarify the Broker's policy, benefits, procedures, or any aspect of the Broker's function but does not express dissatisfaction.

3.3.2.6.2.2 Member and Provider notice of adverse action

The Broker must notify the requesting Member/Provider of any decision to deny a service authorization request, or to authorize a service in a amount, duration, or scope that is less than requested. Please refer to section 3.3.2.1.2.1 for more information on Notice of Adverse Action.

3.3.2.6.2.3 Broker Grievance or Complaint Process: General Requirements

Give Members any reasonable assistance in completing forms and other procedural steps not limited to providing interpreter services and toll-free numbers with TTY/TDD and interpreter capability. This includes providing a full and complete explanation of the process to the Member.

- a) Acknowledge receipt of each grievance or complaint.
- b) Inform the Member of the disposition of the grievance or complaint in a format approved by the IME.
- c) Inform the Member/Provider of the availability of the the State fair hearing process for any action.

3.3.2.6.2.4 Grievance system: Record keeping and reporting

The Broker must maintain records of all grievances, complaints and appeals to the State Fair Hearing process. Such records will be made available to the IME upon request.

3.3.2.6.2.5 Access to State Fair Hearing

If the Member/Provider disagrees with the resolution of the grievance or complaint by the Broker, the Member/Provider may request a state fair hearing. The right to a fair hearing and how to obtain a hearing must be explained to the Member/Provider by the Broker.

- The Broker will represent the Department in the State Fair Hearing.

3.3.2.6.3 Performance Standards

- a. The Broker will must provide a monthly report on all grievance's and/or complaints by the tenth business day of the month following the last day of each month.
- b. The Broker will must provide a monthly report on the all disposition of State Fair Hearing appeals by the tenth business day of the month following the last day of each month.

3.3.3 Turnover

Turnover is activated when the State contractually transfers responsibility for the operations functions to a new entity (i.e. a newly awarded Broker). All bidders will be required to provide a commitment for full cooperation during the turnover responsibility that comes at the end of the contract term awarded by this RFP, including preparation of a Turnover Plan, when requested by the State.

Additionally, the very last payment for Operations due the Broker will not be paid until the Broker has satisfied all turnover obligations.

Section 4 Format and Content of Bid Proposals

These instructions prescribe the format and content of the bid proposal and are designed to facilitate the submission of a bid proposal that is easy to understand and evaluate. Failure to adhere to the proposal format shall result in the disqualification of the bid proposal.

4.1 Instructions

- 4.1.1** The bid proposal shall be typewritten on 8.5" x 11" paper (two-sided).
- 4.1.2** The bid proposal shall be divided into two parts: (1) the Technical Proposal and (2) the Cost Proposal. The Technical Proposal and the Cost Proposal shall be placed in separate envelopes. The entire bid proposal shall be sealed in another envelope (or a box if necessary to accommodate the size of the bid proposal). If the Technical Proposal is in multiple volumes, the volumes shall be numbered in the following fashion: 1 of 4, 2 of 4, etc. The envelopes shall be labeled with the following information:

**NEMT – Waiver Transportation Brokerage
MED-10-011
Tim Weltzin, Issuing Officer
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, IA 50315**

Bidder's Name and Address

- 4.1.3** The Technical Proposal and Cost Proposal materials shall be presented in a spiral binder, comb binder, or similar binder (no loose leaf binders). Each Technical Proposal and Cost Proposal shall be sealed separately.
- 4.1.4** One (1) original, seven (7) copies, and one (1) redacted copy of the bid proposal (if bidder wishes to submit bids that include confidential information), each in a sealed envelope, shall be timely submitted to the Issuing Officer. The envelope containing the original bid proposal shall be labeled "original" and each envelope containing a copy of the bid proposal and each copy of the proposal shall be labeled "copy". The envelope containing the redacted copy shall be labeled "redacted."
- 4.1.5** The bidder must also submit two (2) electronic copies and one (1) redacted copy of the bid proposal with all documents in Adobe PDF format. Each electronic copy shall be submitted on CD-ROM. The bidder's entire technical proposal should be placed in one PDF file. The file shall not be in any way password protected or saved with restrictions that prevent copying, saving, or reprinting contents of the file.

- 4.1.6 If the bidder designates any information in its bid proposal as confidential, the bidder must also submit one (1) paper copy of the bid proposal from which confidential information has been redacted. The confidential material must be redacted in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible. In addition, the redacted version must be submitted electronically on CD-ROM and marked redacted.
- 4.1.7 Bid proposals must respond to RFP requirements by restating the number and text of the requirement in sequence and writing the response immediately after the restated requirement.
- 4.1.8 Bid proposals shall not contain promotional or display materials.
- 4.1.9 Attachments shall be referenced in the bid proposal.
- 4.1.10 If a bidder proposes more than one method of meeting these requirements, each should be labeled and submitted separately. Each will be evaluated separately.
- 4.2 **Technical Proposal** - The Technical Proposal shall consist of the following documents and responses in the order given below:
 - 4.2.1 **Table of Contents (Tab 1)** - A Table of Contents of the Technical Proposal shall be inserted at Tab 1. The Table of Contents will identify all sections, all subsections contained therein, and the corresponding page numbers. The Table of Contents shall include all sections and subsections. The Table of Contents found at the beginning of this RFP provides a representative example of what is expected for the Technical Proposal Table of Contents.
 - 4.2.2 **Bidder Declarations (Tab 2)** - An individual authorized to legally bind the bidder must complete a disclosure form (RFP Attachment B) for the primary bidder and include this completed and signed disclosure form behind Tab 2. In addition, the primary bidder must also attach a completed Subcontractor Disclosure Form (RFP Attachment C) for each subcontractor the bidder intends to use to perform services pursuant to the contract. The form would be appropriate should the bidder seek to subcontract a portion of the duties under the contract, for instance if the bidder intended to subcontract out call center duties. Bidders should not submit this form for the bidder's proposed transportation provider panel.
 - 4.2.3 **Mandatory Requirements Checklist (Tab 3)** - The bidder shall submit with the bid proposal the document included as Attachment A in which the bidder will check each mandatory requirement it has met. The Department will make the final determination, however, whether the bid proposal meets the mandatory requirements.
 - 4.2.4 **Executive Summary/Introduction (Tab 4)** - The bidder shall submit an executive summary/introduction that provides the Evaluation Committee and state management with a clear understanding of the contents of the entire Bid Proposal. The executive summary/introduction should briefly summarize the

strengths of the bidder and key features of its proposed approach to meet the requirements of this RFP. This section shall also include a summary of the bidder's project management plans for the resulting contract.

4.2.5 Service Requirements (Tab 5) – The bidder shall address each service requirement in Section 3 and explain how it plans to approach each requirement. Bidders are given wide latitude in the degree of detail they offer or the extent to which they reveal plans, designs, examples, processes, and procedures. Bid proposals must be fully responsive to the service requirements in Section 3. Merely repeating the requirement and noting the bidder “will comply” or the like will be considered non-responsive and disqualify the bidder. Bid proposals must identify any deviations from the requirements of this RFP the bidder cannot satisfy.

4.2.6 Corporate Organization, Experience and Qualifications (Tab 6)

4.2.6.1 Experience. The bidder shall provide the following information regarding its experience:

4.2.6.1.1 List all services similar to those sought by this RFP that the bidder has provided to other businesses or governmental entities. This includes all contracts and projects that the bidder currently holds or is working on with a contact person's name from that business or governmental entity.

4.2.6.1.2 Identify if the services were timely provided and within budget.

4.2.6.1.3 Letters of reference from three (3) business contacts. Acceptable letters will be from business contacts with knowledge of the bidder's performance as a primary contractor. Letters must be from business contacts with knowledge of the bidder's performance as a primary contractor in providing services similar to the services described in this RFP and a contact person and telephone number for each reference.

4.2.6.2 Personnel - The bidder shall provide the following information regarding its personnel. Key personnel described in the bidder's proposal must be the same personnel that begin work on the project unless the Department is notified of and approves a change.

4.2.6.2.1 Provide a table of organization. Illustrate the lines of authority. Include the names and credentials of the owners and executives of your organization and, if applicable, their roles on this project. Also include key personnel who will be involved in providing services contemplated by this RFP.

4.2.6.2.2 Provide resumes for all key personnel, including the project manager, who will be involved in providing the services

contemplated by this RFP. The resumes of key personnel must include: name, education, and years of experience and employment history, particularly as it relates to the scope of services specified herein.

4.2.6.2.3 Describe other contracts and projects currently undertaken by the bidder.

4.2.6.3 Financial Information - The bidder must provide the following financial information:

4.2.6.3.1 Submit audited financial statements (annual reports) for the last three (3) years. Privately owned companies may supply unaudited statements if audited statements are not available.

Such information should include, at the minimum:

- Balance sheet
- Income statement
- Statement of cash flow
- Notes to financial statements

4.2.6.3.2 Provide a minimum of three (3) financial reference letters. The Department is interested in knowing that bidders are financially viable and have a financial history indicative of future financial stability. Therefore financial reference letters from banking institutions and/or creditors that are indicative of such financial history are required.

4.2.6.3.3 Provide the following organizational background information:

- Full name, address, and telephone number;
- Date established;
- Ownership (i.e. public company, partnership, etc.)
- Description of business operations;
- Details of any proposed mergers, acquisitions, or sales that may affect financial stability or organizational structure; and
- A description, if any, of insurance claims filed within the past five (5) years.

4.2.6.4 Termination, Litigation, and Investigation - The bidder must provide the following information:

4.2.6.4.1 During the last five (5) years, has the bidder had a contract for services terminated for any reason or has any such contract been subject to any form of default notice or threat of termination. If so, provide full details related to the termination, notice of default, or threat of termination.

4.2.6.4.2 During the last five (5) years, describe any damages or penalties or anything of value traded or given up by the bidder

under any of its existing or past contracts as it relates to services performed that are similar to the services contemplated by this RFP and the resulting Contract. If so, indicate the reason and the estimated cost of that incident to the bidder.

4.2.6.4.3 During the last five (5) years, list and summarize pending or threatened litigation, administrative or regulatory proceedings, or similar matters that could affect the ability of the bidder to perform the required services. The bidder must also state whether it or any owners, officers, or primary partners have ever been convicted of a felony. Failure to disclose these matters may result in rejection of the bid proposal or in termination of any subsequent contract. This is a continuing disclosure requirement. Any such issue arising after submission of a bid proposal, and with respect to the successful bidder after the execution of a contract must be disclosed in a timely manner in a written statement to the Department.

4.2.6.4.4 During the last five (5) years, have any irregularities been discovered in any of the accounts maintained by the bidder on behalf of others? If so, describe the circumstances of irregularities or variances and disposition of resolving the irregularities or variances.

4.2.7 Authorization to Release Information (Tab 7)

4.2.7.1 Authorization to Release Information - The bidder shall sign and submit with the bid proposal the document included as Attachment D in which the bidder authorizes the release of information to the Department.

4.3 Cost Proposal – The Cost Proposal shall include the following:

- Table of Contents
- Bid Proposal Security
- Pricing Schedules

4.3.1 Table of Contents (Tab 1) - A Table of Contents of the Cost Proposal shall be inserted at Tab 1. The Table of Contents will identify all Sections (identified herein by Tabs), subsection contained therein, and corresponding page numbers. The Table of Contents shall include all sections and subsections present under Tabs 1 through 3. The Table of Contents found at the beginning of this RFP provides a representative example of what is expected for the Cost Proposal Table of Contents.

4.3.2 Bid Proposal Security (Tab 2) – The bidder shall submit a bid bond, a certified or cashier's check or an irrevocable letter of credit in favor or made payable to the State of Iowa in the amount of \$5,000, which shall guarantee

the availability of the services as provided in the preceding section. If the bidder elects to use a bond, a surety licensed to do business in Iowa must issue the bond on a form acceptable to the Department. The bid proposal security shall be forfeited if the bidder chosen to receive the contract withdraws its bid proposal after the Department issues a Notice of Intent to Award, does not honor the terms offered in its bid proposal or does not negotiate contract terms in good faith. Security submitted by bidders will be returned when the bid proposals expire, are rejected, or the Department enters into a contract with the successful bidder, whichever is earliest.

4.3.3 Pricing Schedule (Tab 3) – See Pricing Schedule provided in Attachment G for specific format and content instructions.

Section 5 Evaluation of Bid Proposals

5.1 Introduction

This section describes the evaluation process that will be used to determine which Bid Proposal provides the greatest benefit to the Department. The evaluation process is designed to award the contract not necessarily to the bidder of least cost, but rather to the bidder with the best combination of attributes to perform the required services.

The evaluation process will ensure the selection of the best overall solution for the IME. The evaluation process will include the following components:

- Establish Evaluation Committee
- Evaluate Bid Proposal Mandatory Requirements from Checklist
- Evaluate and Score Technical Proposals
- Evaluate and Score Cost Proposals
- Proposal Ranking and Evaluation Committee Recommendation
- DHS Contract Award Decision by State Medicaid Director

The information that follows describes the components of, the activities conducted in, and the resultant product of the evaluation process.

5.2 Evaluation Committee

The Department intends to conduct a comprehensive, fair, and impartial evaluation of all Bid Proposals received in response to this RFP. In making its award determinations, the Department will be represented by an Evaluation Committee.

5.3 Mandatory Requirements for Proposals

As part of its initial screening, all Bid Proposals submitted in response to this RFP will be assessed by DHS to assure that the mandatory submittal requirements for proposals have been satisfied. Any one mandatory requirement that is not met will cause a Bid Proposal to be declared non-responsive. The form for the Bid Proposal Mandatory Requirements Checklist is provided in this RFP as Attachment A. Mandatory requirement evaluations may occur throughout the evaluation process as the Evaluation Committee members review bid proposals in detail.

5.4 Scoring of Bidder Technical and Cost Proposals

5.4.1 Independent Evaluation of Technical Proposals

The individual Evaluation Committee members will independently evaluate each proposal that passes the mandatory submittal criteria. Committee members will score each proposal using criteria established by DHS and according to the factors that are outlined below. The Committee will meet at the completion of their independent evaluation process to address any technical questions raised by their respective reviews and discuss the relative merits of each bidder's Bid Proposal. At the conclusion of this

discussion, the Committee members may independently re-evaluate and re-score any section of any proposal. After the final re-score, the Committee will average the bidder's scores for each section of the bidder's Technical Proposal in order to facilitate a composite and final Technical Proposal score for each bidder.

The Committee will review the resume of the Account Manager proposed by the vendor and may verify references. Reference checking may not be limited to those references supplied by the bidder.

5.4.2 Evaluation Criteria and Assigned Points for Technical Proposal

The evaluation of the Technical Proposal will have five (5) sections. The maximum score is 600 based on the criteria of the following table. Any bidder that does not score at least 300 points on the Technical Proposal will be disqualified.

EVALUATION CRITERIA	SUGGESTED POINTS
Poor: Bidder's proposal or capability is either not acceptable or not applicable for this criterion.	0% - 40% of points
Adequate: Bidder's proposal marginally meets expectations for this criterion.	40% - 60% of points
Good: Bidder's proposal or capabilities are superior and slightly exceeds expectations for this criterion.	60% - 80% of points
Excellent: Bidder's proposal or capability is exceptional and exceeds expectations for this criterion.	80% - 100% of points

The total scoring for the Technical Proposal portion of each Section is divided as follows:

TECHNICAL SECTION	AVAILABLE POINTS	% ASSIGNED	SCORE
Executive Summary	50		
Overall Project Understanding	50		
Scope of Services			
General Requirements (3.2.1)	50		
Contractor Responsibilities (3.3.1) and (3.3.2)	400		
Corporate/Team Experience & Qualifications	50		
TECHNICAL SECTION TOTAL	600		

5.4.3 Scoring of Bidder Cost Proposals

Bidders should submit one cost proposal as a “capitated” rate based on a savings in the NEMT program. The bidder’s cost proposal providing the greatest benefit to the State will receive the maximum points of 200.

The bid with the lowest cost will receive the full point score available for the cost proposal. In order to calculate every other bidder’s score, the lowest bidder’s cost proposal will be divided into the corresponding value of the other bidder(s) and then multiplied by the maximum points. The formula for each is expressed as follows:

$$\text{Bidder's Cost Score} = (\text{Lowest Cost} / \text{Bidder Cost}) \times \text{Maximum Points}$$

5.4.4 Technical and Cost Proposals Combined

Technical and Cost Proposal scores will be combined to establish a final score for each bidder. The maximum Total Score is 800 points. Proposals will be ranked according to total score in order to facilitate a recommendation from the Evaluation Committee

5.5 Recommendation of the Evaluation Committee to the State Medicaid Director

The Evaluation Committee will forward its findings and recommendations to the State Medicaid Director, who shall be responsible for making a decision as to whether to accept the recommendation of the Committee or cancel the Request for Proposal. The State Medicaid Director’s decision is final agency action for purposes of Iowa Code Chapter 17A.

Section 6 Contract Terms and Conditions
--

6 Introduction

The Contract between the Department and the successful bidder shall be a combination of the specifications, terms and conditions of the RFP, the offer of the bidder contained in the Bid Proposal, written clarifications or changes made in accordance with the provisions herein, and any other terms deemed necessary by the Department.

The Contract terms which follow in Attachment F are not intended to be a complete listing of all Contract terms, but are provided only to enable the Contractor to better evaluate the costs associated with the RFP and the resulting Contract. Contractors should plan on such terms being included in any contract awarded as a result of the RFP. All costs associated with complying with these requirements should be included in the bid proposal or any pricing quoted by the bidder.

ATTACHMENT A

Bid Proposal Mandatory Requirements Checklist

DHS has provided a template for the Bid Proposal Mandatory Requirements Checklist that is to be submitted with the Technical Proposal portion of Bid Proposals. Bidders are expected to confirm compliance by typing or printing “Yes” in the “Bidder Check” column. Upon receipt of Bid Proposals, DHS will confirm compliance by entering “Yes” in the “DHS Check” column.

Bidder	DHS	
		1. Did the Issuing Officer receive the bid proposal before 4:00 p.m. Central Time on the date specified for receipt?
		2. Was the proposal submitted with the correct number of copies, and in the correct format as specified in section 4.1 of the RFP? <ul style="list-style-type: none">• Submitted in spiral, comb or similar binder (no loose leaf binders)• Divided in two parts: (1) Technical Proposal; (2) Cost Proposal.• Original, and seven (7) copies properly labeled• Two (2) electronic copies in Adobe PDF file format on CD ROM• One (1) hard copy and one (1) electronic copy of bid proposal from which confidential information has been redacted, if any claim of confidential information is made.• Bid proposal must respond to RFP requirements by restating the number and text of the requirement in sequence and writing the response immediately after the restated requirement.
		3. Does the proposal include a signed copy of Attachment D: Authorization to Release Information?
		4. Does the proposal include all declarations required to be submitted in Section 4.2.2 of the RFP?
		5. Does the proposal include three (3) letters of reference as specified in Section 4.2.6.3.2 of the RFP?
		6. Does the proposal include a bid bond or other bid security, payable to the State of Iowa, in the amount of \$5,000?

Signature

Date

ATTACHMENT B

Primary Bidder Detail Form & Certification

(Instructions: Return this completed form behind Tab 2 of your Bid Proposal)

RFP No. MED-10-011: NEMT – Waiver Transportation Brokerage

Primary Contact Information (individual who can address issues re: this Bid Proposal)	
Name:	
Address:	
Tel:	
Fax:	
E-mail:	

Primary Bidder Detail	
Business Legal Name:	
“Doing Business As” names, assumed names, or other operating names:	
Form of Business Entity (i.e., corp., partnership, LLC, etc.)	
State of Incorporation/organization:	
Primary Address:	
Tel:	
Fax:	
Local Address (if any):	
Addresses of Major Offices and other facilities that may contribute to performance under this RFP/Contract:	
Number of Employees:	
Number of Years in Business:	
Primary Focus of Business:	
Federal Tax ID:	
Bidder’s Accounting Firm:	
If Bidder is currently registered to do business in Iowa, provide the Date of Registration:	
Do you plan on using subcontractors if awarded this Contract? {If “YES,” submit a Subcontractor Disclosure Form for each proposed subcontractor.}	(YES/NO)

Request for Confidential Treatment		
Location in Bid (Tab/Page)	Statutory Basis for Confidentiality	Description/Explanation

Exceptions to RFP/Contract Language
--

RFP Section and Page	Language to which Bidder takes exception	Explanation and Proposed replacement language:

BID PROPOSAL CERTIFICATION

By signing below, Bidder certifies that:

- Bidder will comply with all Contract Terms and Conditions as indicated in Section 6 of the RFP;
- Bidder has reviewed Attachment E to the RFP (Certifications), which are incorporated herein by reference, and by signing below represents that Bidder agrees to be bound by the obligations included in Attachment E to the RFP;
- No attempt has been made or will be made by the Bidder to induce any other person or entity to submit or not submit a proposal in response to this RFP;
- Bidder does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or handicap;
- No cost or pricing information has been included in the Bidder's Technical Proposal;
- Bidder has received any amendments to this RFP issued by the Department;
- The prices proposed have been arrived at independently, without consultation, communication, or agreement, as to any matter relating to such prices with any other bidder or with any competitor for the purpose of restricting competition;
- Unless otherwise required by law, the prices quoted have not been knowingly disclosed by the Bidder prior to award, directly or indirectly, to any other Bidder or to any competitor;
- Bidder either is currently registered to do business in Iowa or agrees to register if Bidder is awarded a Contract pursuant to this RFP;
- The person signing this Proposal certifies that he/she is the person in the Bidder's organization responsible for, or authorized to make decisions regarding the prices quoted and he/she has not participated, and will not participate, in any action contrary to the anti-competitive obligations agreements outlined above;
- Bidder specifically stipulates that the bid proposal is predicated upon the acceptance of all terms and conditions stated in the RFP. If the bidder objects to any term or condition, specific reference to the RFP page and section number must be made in the Primary Bidder Detail Form and Certification. Objections or responses that materially alter the RFP shall be deemed non-responsive and disqualify the bidder. All changes to proposed contract language, including deletions, additions, and substitutions of language, must be addressed in the Bid Proposal;
- Bidder certifies that the bidder organization has sufficient personnel resources available to provide all services proposed by this Bid Proposal, and such resources will be available on and after **October 1, 2010**; and
- Bidder guarantees the availability of the services offered and that all bid proposal terms, including price, will remain firm a minimum of 120 days following the deadline for submitting proposals.

By signing below, I certify that I have the authority to bind the Bidder indicated below to the specific terms, conditions and technical specifications required in the Department's Request for Proposals (RFP) and offered in the Bidder's Proposal. I understand that by submitting this Bid Proposal, the Bidder indicated below agrees to provide services described in the Iowa Medicaid Enterprise NEMT and HCBS Waiver Transportation Brokerage RFP which meet or exceed the requirements of the Department's RFP unless noted in the Bid Proposal and at the prices quoted by the Bidder. I certify that the contents of the

Bid Proposal are true and accurate and that the Bidder has not made any knowingly false statements in the Bid Proposal.

Signature:	
Printed Name/Title:	
Date:	

ATTACHMENT C

Subcontractor Disclosure Form

(Instructions: Return this completed form behind Tab 2 of your Bid Proposal)

RFP MED-10-011: NEMT – Waiver Transportation Brokerage

Primary Bidder:	
Subcontractor Contact Information (individual who can address issues re: this RFP)	
Name:	
Address:	
Tel:	
Fax:	
E-mail:	

Subcontractor Detail	
Subcontractor Legal Name:	
“Doing Business As” names, assumed names, or other operating names:	
Form of Business Entity (i.e., corp., partnership, LLC, etc.)	
State of Incorporation/organization:	
Primary Address:	
Tel:	
Fax:	
Local Address (if any):	
Addresses of Major Offices and other facilities that may contribute to performance under this RFP/Contract:	
Number of Employees:	
Number of Years in Business:	
Primary Focus of Business:	
Federal Tax ID:	
Subcontractor’s Accounting Firm:	
If Subcontractor is currently registered to do business in Iowa, provide the Date of Registration:	
Percentage of Total Work to be performed by this Subcontractor pursuant to this RFP/Contract.	
General Scope of Work to be performed by this Subcontractor	
Detail the Subcontractor’s qualifications for performing this scope of work	

By signing below, Subcontractor agrees to the following:

- Subcontractor has reviewed the RFP, and Subcontractor agrees to perform the work indicated in this Bid Proposal if the Prime Bidder is selected as the winning bidder in this procurement.
- Subcontractor agrees that it will register to do business in Iowa before performing any services pursuant to this Contract, if required to do so by Iowa law.
- Subcontractor has reviewed Attachment E to the RFP (Certifications) and by signing below confirms that the Certifications are true and accurate and Subcontractor will comply with all such Certifications.
- Subcontractor does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or handicap;
- The person signing this Subcontractor Disclosure Form certifies that he/she is the person in the Subcontractor's organization responsible for or authorized to make decisions regarding the prices quoted and he/she has not participated, and will not participate, in any action contrary to the anti-competitive obligations agreements outlined above.

I hereby certify that the contents of the Subcontractor Disclosure Form are true and accurate and that the Subcontractor has not made any knowingly false statements in the Form.

Signature:	
Printed Name/Title:	
Date:	

ATTACHMENT D

AUTHORIZATION TO RELEASE INFORMATION

_____ (name of bidder) hereby authorizes any person or entity, public or private, having any information concerning the bidder's background, including but not limited to its performance history regarding its prior rendering of services similar to those detailed in this RFP, to release such information to the Iowa Department of Human Services.

The bidder acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The bidder acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the Department or may otherwise hurt its reputation or operations. The bidder is willing to take that risk. The bidder agrees to release all persons, entities, and the Department from any liability whatsoever that may be incurred in releasing this information or using this information.

Printed Name of Bidder Organization

Signature of Authorized Representative

Date

ATTACHMENT E

CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

By submission of a bid proposal, the bidder certifies (and in the case of a joint proposal, each party thereto certifies) that:

- the bid proposal has been developed independently, without consultation, communication or agreement with any employee or consultant of the Department who has worked on the development of this RFP, or with any person serving as a member of the evaluation committee;
- the bid proposal has been developed independently, without consultation, communication or agreement with any other bidder or parties for the purpose of restricting competition;
- unless otherwise required by law, the information in the bid proposal has not been knowingly disclosed by the bidder and will not knowingly be disclosed prior to the award of the contract, directly or indirectly, to any other bidder;
- no attempt has been made or will be made by the bidder to induce any other bidder to submit or not to submit a bid proposal for the purpose of restricting competition;
- no relationship exists or will exist during the contract period between the bidder and the Department that interferes with fair competition or is a conflict of interest.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION -- LOWER TIER COVERED TRANSACTIONS

By signing and submitting this Proposal, the bidder is providing the certification set out below:

1. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the bidder knowingly rendered an erroneous certification, in addition to other remedies available to the federal government the Department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

2. The bidder shall provide immediate written notice to the person to whom this Proposal is submitted if at any time the bidder learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principle, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this Proposal is submitted for assistance in obtaining a copy of those regulations.

4. The bidder agrees by submitting this Proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department or agency with which this transaction originated.

5. The bidder further agrees by submitting this Proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

6. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. A participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

7. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

8. Except for transactions authorized under paragraph 4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the Department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND/OR VOLUNTARY EXCLUSION--LOWER TIER COVERED TRANSACTIONS

(1) The bidder certifies, by submission of this Proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

(2) Where the bidder is unable to certify to any of the statements in this certification, such bidder shall attach an explanation to this Proposal.

CERTIFICATION OF COMPLIANCE WITH PRO-CHILDREN ACT OF 1994

The Contractor must comply with Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities (other than clinics) where WIC coupons are redeemed.

The Bidder further agrees that the above language will be included in any subawards that contain provisions for children's services and that all subgrantees shall certify compliance accordingly. Failure to

comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1000 per day.

CERTIFICATION REGARDING LOBBYING

The Bidder certifies, to the best of his or her knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid on behalf of the Sub-Grantee to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, an officer or employee of the Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant loan or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, or an employee of a Member of Congress in connection with this Contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The Bidder shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.A. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ATTACHMENT F

CONTRACT DECLARATIONS & EXECUTION

RFP #	Contract #
MED-10-011	MED-10-011
Title of Contract	
Non-Emergency Medical and Waiver Transportation Brokerage	

All parties must sign this Contract before the Contractor provides any Deliverables. The Department is not obligated to make payment for any Deliverables provided by or on behalf of the Contractor before both parties execute the Contract. The following parties enter into this Contract:

Department of the State (hereafter “Department”)	
Name/Principal Address (“Notice Address”) of Department: Iowa Department of Human Services Iowa Medicaid Enterprise 100 Army Post Road Des Moines, IA 50315	Department Billing Contact Name/Address: Tim Weltzin Iowa Medicaid Enterprises 100 Army Post Road Des Moines, IA 50315 Phone: (515) 256-4633
Department Contract Manager Name/Address: Tim Weltzin Iowa Medicaid Enterprise 100 Army Post Road Des Moines, IA 50315 Phone: (515) 256-4633 Fax #: (515) 256-4626 E-Mail: tweltzi@dhs.state.ia.us	

Contractor: (hereafter “Contractor”)	
Legal Name:	Contractor Principal Address (“Notice Address”):
Doing Business As Name(s):	
Tax ID #:	Organized under the laws of:
Contractor Contract Mgr. Name/Address:	Contractor Billing Contact Name/Address:

<i>Contract Information</i>		
Start Date:	End Date of Current Term:	Anticipated End Date (including all possible renewals): Possible Extensions: Duration of Extensions in Months:
Does This Contract Include Sharing SSA Data? No Contract Contingent on Approval of Another Department: Yes Which Department? Centers for Medicare and Medicaid Services		

<i>Financial Information</i>		
Billing Frequency:	Amount of Contract:	Federal Funds Involved?
Warranty Period:		

<i>Insurance Requirements</i>		
Type of Insurance	Limit	Amount
General Liability (including contractual liability) written on occurrence basis	General Aggregate	\$2 Million
	Product/Completed Operations Aggregate	\$1 Million
	Personal Injury	\$1 Million
	Each Occurrence	\$1 Million
Automobile Liability (including any auto, hired autos, and non-owned autos)	Combined Single Limit	\$1 Million
Excess Liability, Umbrella Form	Each Occurrence	\$1 Million
	Aggregate	\$1 Million
Workers Compensation and Employer Liability	As required by Iowa law	As Required by Iowa law
Property Damage	Each Occurrence	\$1 Million
	Aggregate	\$1 Million
Professional Liability	Each Occurrence	\$2 Million
	Aggregate	\$2 Million

Special Contract Addenda

Business Associate Agreement: Yes
Iowa Code Chapter 8F Applicable?: No (Medicaid funds)

Special Contract Attachments

Special Contract Attachments:

This Contract consists of the above information, the attached General Terms for Services Contracts, Special Terms, and all Special Contract Attachments (hereafter “Contract”). In consideration of the

mutual covenants in this Contract and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Contract and have caused their duly authorized representatives to execute this Contract.

Contractor, by:	Iowa Department of Human Services, by:
Signature:	Signature:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:

Section 1

Addenda to the Contract Declarations and Execution Page(s)

The Contractor shall sign and return the Contract Certifications as part of the Contract.

CONTRACT CERTIFICATIONS

CERTIFICATION OF COMPLIANCE WITH PRO-CHILDREN ACT OF 1994

Contractor must comply with Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the Deliverables are funded by federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities (other than clinics) where WIC coupons are redeemed.

The Contractor further agrees that the above language will be included in any subawards that contain provisions for children's services and that all subgrantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1000 per day.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION --LOWER TIER COVERED TRANSACTIONS

By signing and submitting this document, the Contractor is providing the certification set out below:

1. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or Department with which this transaction originated may pursue available remedies, including suspension and/or debarment.

2. The Contractor shall provide immediate written notice to the person to whom this document is submitted if at any time the Contractor learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principle, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this document is submitted for assistance in obtaining a copy of those regulations.

4. The Contractor agrees by submitting this document that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department or Department with which this transaction originated.

5. The Contractor further agrees by submitting this document that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

6. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. A participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

7. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

8. Except for transactions authorized under paragraph 4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the Department or Department with which this transaction originated may pursue available remedies, including suspension and/or debarment.

a. The Contractor certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any agency or Department.

b. Where the Contractor is unable to certify to any of the statements in this certification, such Contractor shall attach an explanation to this document.

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid on behalf of the sub-grantee to any person for influencing or attempting to influence an officer or employee of any agency, a Member of the Congress, an officer or employee of the Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant loan or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of the Congress, or an employee of a Member of Congress in connection with this Contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.A. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

CERTIFICATION REGARDING DRUG FREE WORKPLACE

1. **Requirements for Contractors Who are Not Individuals.** If Contractor is not an individual, by signing below Contractor agrees to provide a drug-free workplace by:

- a. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
- b. establishing a drug-free awareness program to inform employees about:
 - (1) the dangers of drug abuse in the workplace;
 - (2) the person's policy of maintaining a drug-free workplace;
 - (3) any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) the penalties that may be imposed upon employees for drug abuse violations;
- c. making it a requirement that each employee to be engaged in the performance of such contract be given a copy of the statement required by subparagraph (a);
- d. notifying the employee in the statement required by subparagraph (a), that as a condition of employment on such contract, the employee will:
 - (1) abide by the terms of the statement; and
 - (2) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than 5 days after such conviction;
- e. notifying the contracting Department within 10 days after receiving notice under subparagraph (D)(ii) from an employee or otherwise receiving actual notice of such conviction;
- f. imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted, as required by 41 U.S.C. § 703; and
- g. making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).

2. Requirement for individuals. If Contractor is an individual, by signing below Contractor agrees to not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.

3. Notification Requirement. Contractor shall, within 30 days after receiving notice from an employee of a conviction pursuant to 41 U.S.C. § 701(a)(1)(D)(ii) or 41 U.S.C. § 702(a)(1)(D)(ii):

- (a) take appropriate personnel action against such employee up to and including termination; or
- (b) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate Department.

IN WITNESS WHEREOF, Contractor hereby certifies that the above is true and accurate, Contractor will fully comply with obligations herein. If any conditions within these certifications change, the Contractor will provide written notification to the Department within 24 hours. Contractor has caused a duly authorized representative to execute this Contract Certifications document concurrently with the underlying Contract.

Contractor,	
Signature:	
Printed Name:	
Title:	Date:

ADDENDUM: Business Associate Agreement

THIS ADDENDUM supplements and is made a part of the Iowa Department of Human Services (“Agency”) Contract (hereinafter, the “Underlying Agreement”) between the Agency and the Contractor (“the Business Associate”).

1. Purpose.

The Business Associate performs certain services on behalf of or for the Agency pursuant to the Underlying Agreement that require the exchange of information about patients that is protected by the Health Insurance Portability and Accountability Act of 1996, as amended by Subtitle D of the Health Information Technology for Economic and Clinical Health Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (the “HITECH Act”) and the federal regulations published at 45 C.F.R. parts 160 and 164 (collectively “HIPAA”). The Agency is a “Covered Entity” as that term is defined in HIPAA, and the parties to the Underlying Agreement are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and to bring the Underlying Agreement into compliance with HIPAA.

2. Definitions.

Unless otherwise provided in this Addendum, capitalized terms have the same meanings as set forth in HIPAA.

3. Obligations of Business Associate.

- a. *Security Obligations.* Sections 164.308, 164.310, 164.312 and 164.316 of title 45, Code of Federal Regulations, apply to the Business Associate in the same manner that such sections apply to the Agency. The Business Associate’s obligations include but are not limited to the following:
 - Implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic Protected Health Information that the Business Associate creates, receives, maintains, or transmits on behalf of the covered entity as required by HIPAA;
 - Ensuring that any agent, including a subcontractor, to whom the Business Associate provides such information agrees to implement reasonable and appropriate safeguards to protect the data; and
 - Reporting to the Agency any security incident of which it becomes aware.
- b. *Privacy Obligations.* To comply with the privacy obligations imposed by HIPAA, Business Associate agrees to:
 - Not use or further disclose information other than as permitted or required by the Underlying Agreement, this Addendum, or as required by law;
 - Abide by any Individual’s request to restrict the disclosure of Protected Health Information consistent with the requirements of Section 13405(a) of the HITECH Act;
 - Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by the Underlying Agreement and this Addendum;
 - Report to the Agency any use or disclosure of the information not provided for by the Underlying Agreement of which the Business Associates becomes aware;
 - Ensure that any agents, including a subcontractor, to whom the Business Associate provides Protected Health Information received from the Agency or created or received

by the Business Associate on behalf of the Agency agrees to the same restrictions and conditions that apply to the Business Associate with respect to such information;

- Make available to the Agency within ten (10) days Protected Health Information to comply with an Individual's right of access to their Protected Health Information in compliance with 45 C.F.R. § 164.524 and Section 13405(f) of the HITECH Act;
- Make available to the Agency within fifteen (15) days Protected Health Information for amendment and incorporate any amendments to Protected Health Information in accordance with 45 C.F.R. § 164.526;
- Make available to the Agency within fifteen (15) days the information required to provide an accounting of disclosures in accordance with 45 C.F.R. § 164.528 and Section 13405(c) of the HITECH Act;
- Make its internal practices, books, and records relating to the use and disclosure of Protected Health Information received from the Agency, or created or received by the Business Associate on behalf of the Agency, available to the Secretary for purposes of determining the Agency's compliance with HIPAA;
- To the extent practicable, mitigate any harmful effects that are known to the Business Associate of a use or disclosure of Protected Health Information or a Breach of Unsecured Protected Health Information in violation of this Addendum;
- Use and disclose an Individual's Protected Health Information only if such use or disclosure is in compliance with each and every applicable requirement of 45 C.F.R. § 164.504(e);
- Refrain from exchanging any Protected Health Information with any entity of which the Business Associate knows of a pattern of activity or practice that constitutes a material breach or violation of HIPAA or this Addendum;
- To comply with Section 13405(b) of the HITECH Act when using, disclosing, or requesting Protected Health Information in relation to this Addendum by limiting disclosures as required by HIPAA;
- Refrain from receiving any remuneration in exchange for any Individual's Protected Health Information unless (1) that exchange is pursuant to a valid authorization that includes a specification of whether the Protected Health Information can be further exchanged for remuneration by the entity receiving Protected Health Information of that Individual, or (2) satisfies one of the exceptions enumerated in Section 13405(e)(2) of the HITECH Act or HIPAA regulations; and
- Refrain from marketing activities that would violate HIPAA, specifically Section 13406 of the HITECH Act.

c. *Permissive Uses.* The Business Associate may use or disclose Protected Health Information that is disclosed to it by the Agency under the following circumstances:

- Business Associate may use the information for its own management and administration and to carry out the legal responsibilities of the Business Associate.
- Business Associate may disclose the information for its own management and administration and to carry the legal responsibilities of the Business Associate if (1) the disclosure is required by law, or (2) the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. *Breach Notification.* In the event that the Business Associate discovers a Breach of Unsecured Protected Health Information, the Business Associate agrees to take the following measures within 30 calendar days after the Business Associate first becomes aware of the incident:

- To notify the Agency of any incident involving the acquisition, access, use or disclosure of Unsecured Protected Health Information in a manner not permitted under 45 C.F.R. part E. Such notice by the Business Associate shall be provided without unreasonable delay, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security. For purposes of clarity for this provision, Business Associate must notify the Agency of any such incident within the above timeframe even if Business Associate has not conclusively determined within that time that the incident constitutes a Breach as defined by HIPAA. For purposes of this Addendum, the Business Associate is deemed to have become aware of the Breach as of the first day on which such Breach is known or reasonably should have been known to such entity or associate of the Business Associate, including any person, other than the individual committing the Breach, that is an employee, officer or other agent of the Business Associate or an associate of the Business Associate;
- To include the names of the Individuals whose Unsecured Protected Health Information has been, or is reasonably believed to have been, the subject of a Breach;
- To complete and submit the Breach Notice form to the Agency (see Exhibit A); and
- To include a draft letter for the Agency to utilize to notify the Individuals that their Unsecured Protected Health Information has been, or is reasonably believed to have been, the subject of a Breach. The draft letter must include, to the extent possible:
 1. A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
 2. A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as full name, Social Security Number, date of birth, home address, account number, disability code, or other types of information that were involved);
 3. Any steps the Individuals should take to protect themselves from potential harm resulting from the Breach;
 4. A brief description of what the Agency and the Business Associate are doing to investigate the Breach, to mitigate losses, and to protect against any further Breaches; and
 5. Contact procedures for Individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.

4. Addendum Administration.

- a. *Termination.* The Agency may terminate this Addendum for cause if the Agency determines that the Business Associate or any of its subcontractors or agents has breached a material term of this Addendum. Termination of either the Underlying Agreement or this Addendum shall constitute termination of the corresponding agreement.
- b. *Effect of Termination.* At termination of the Underlying Agreement or this Addendum, the Business Associate shall return or destroy all Protected Health Information received or created in connection with this Underlying Agreement, if feasible. If such return or destruction is not feasible, the Business Associate will extend the protections of this Addendum to the Protected Health Information and limit any further uses or disclosures. The

Business Associate will provide the Agency in writing a description of why return or destruction of the information is not feasible.

- c. *Compliance with Confidentiality Laws.* Business Associate acknowledges that it must comply with all laws that may protect the Protected Health Information received and will comply with all such laws, which include but are not limited to the following:
 - *Medicaid applicants and recipients:* 42 U.S.C. § 1396a(a)(7); 42 C.F.R. §§ 431.300 - .307; Iowa Code § 217.30;
 - *Mental health treatment:* Iowa Code chapters 228, 229;
 - *HIV/AIDS diagnosis and treatment:* Iowa Code § 141A.9; and
 - *Substance abuse treatment:* 42 U.S.C. § 290dd-3; 42 U.S.C. § 290ee-3; 42 C.F.R. part 2; Iowa Code §§ 125.37, 125.93.
- d. *Indemnification for Breach Notification.* Business Associate shall indemnify the Agency for costs associated with any incident involving the acquisition, access, use or disclosure of Unsecured Protected Health Information in a manner not permitted under 45 C.F.R. part E.
- e. *Amendment.* The Agency and the Business Associate agree to take such action as is necessary to amend this Addendum from time to time as is necessary for the Business Associate to comply with the requirements of HIPAA.
- f. *Survival.* The obligations of the Business Associate shall survive this Addendum's termination.
- g. *No Third Party Beneficiaries.* There are no third party beneficiaries to this agreement between the parties. The Underlying Agreement and this Addendum are intended to only benefit the parties to the agreement.
- h. *Effective Date.* This Addendum is effective as of the Underlying Agreement's Effective Date.

**EXHIBIT A: NOTIFICATION TO THE AGENCY OF BREACH OF
UNSECURED PROTECTED HEALTH INFORMATION**

NOTE: The Business Associate must use this form to notify the Agency of any Breach of Unsecured Protected Health Information. Immediately provide a copy of this completed form to (1) the Contract Manager, in compliance with the Notice Requirements of the Underlying Agreement, and (2) the Agency Security and Privacy Officer at:

Iowa Department of Human Services
Attn: Security & Privacy Officer
1305 E. Walnut, 1st Floor, DDM
Des Moines, IA 50319

Contract Information	
Contract Number	Contract Title
Contractor Contact Information	
Contact Person for this Incident:	
Contact Person's Title:	
Contact's Address:	
Contact's E-mail:	
Contact's Telephone No.:	

Business Associate hereby notifies the Agency that there has been a Breach of Unsecured (unencrypted) Protected Health Information that Business Associate has used or has had access to under the terms of the Business Associate Agreement, as described in detail below:

Breach Details	
Date of Breach	Date of Discovery of Breach
Detailed Description of the Breach	
Types of Unsecured Protected Health Information involved in the Breach (such as full name, SSN, Date of Birth, Address, Account Number, Disability Code, etc).	
What steps are being taken to investigate the breach, mitigate losses, and protect against any further breaches?	
Number of Individuals Impacted	If over 500, do individuals live in multiple states?
	YES NO

Signature: _____

Date: _____

Section 2: Special and General Contract Terms

2.1 Contract Special Terms

2.1 (1) Contract Purpose

The parties have entered into this Contract for the purpose of retaining the Contractor to provide a for a transportation brokerage that will negotiate rates, arrange transportation, and reimburse transportation claims for all eligible Iowa Medicaid Members for Non-Emergency Medical Transportation (NEMT) and to negotiate rates for transportation provided under the Medicaid Home and Community Based Services (HCBS) Waivers.

2.1 (2) Special Terms Definitions (if any):

Not Applicable

2.1.(3) Scope of Work:

Contractor shall provide all services required by Scope of Work set forth in RFP MED-10-011 Section 3.

2.1 (4) Review Clause:

The Contractor and any subcontractor shall meet with the Department's designated staff, which shall be the Contract Manager and provide information as requested to review the Contractor's compliance with the terms of the Contract and level of performance. Formal review meetings shall occur at least monthly. At the review meetings, the parties will discuss progress toward project goals and any corrective actions if necessary.

The Contractor agrees the Department or the Department's duly authorized and identified agents or representatives of the state and federal governments shall have the right to access any and all information pertaining to the Contract, conduct site visits, conduct quality control reviews, review Contract compliance, assess management controls, assess the Contract services and activities, and provide technical assistance.

2.1 (5) Monitoring Clause:

The Department's Contract Manager shall monitor Contractor's performance on an on-going basis by reviewing reports on a regular basis and meeting with the Contract project manager to discuss progress.

2.1 (6) Contract Payment Clause:

The Contractor shall submit monthly invoices for 100% of the monthly cost. In addition, the Contractor's failure to timely provide deliverables in accordance with the Scope of Services section of this RFP may result in a reduction of total contract price of up to five percent (5%) to be deducted on future payments.

The Contractor acknowledges and agrees that the Department shall not be responsible for or liable to the Contractor or its subcontractor(s) for any increased costs or expenses that may be incurred by the Contractor under the Contract.

2.1 (7): Amendments to General Terms for Services Contracts

The General Terms for Services Contracts are hereby modified as follows:

The following provisions are added at the end of the General Terms:

r.r. Contingency. The Contract is subject to review and approval by the Centers for Medicare and Medicaid Services (CMS). The Department shall have the right to modify the Contract at any time to comply with CMS requirements, subject to the modification section of this Contract.

s.s. Contract Disputes. Except as provided herein, the Contract is not subject to arbitration. The Contract Manager will decide any dispute concerning performance of this Contract and put that decision in writing and serve a copy on the Contractor. The Contract Manager's decision will be final unless within ten (10) days of the mailing of the decision the Contractor files with the Director of the Department a written request to review the decision, which identifies all issues being disputed. The Director, or his designee, who may be the Medicaid Director, shall review the Contractor's request to review the Contract Manager's decision and issue a written decision within ten (10) days of receipt of the review request. The decision of the Director shall be final for purposes of Iowa Code Chapter 17A.

Pending final determination of any dispute, the Contractor will proceed diligently with the performance of this Contract and in accordance with the Contract Manager's direction. The Contractor's failure to follow the procedure set out above will be deemed waiver of the Contractor's claim.

2.2 Contract General Terms

2.2 (1) Definitions.

d. “Department” means the Iowa Department of Human Services.

e. “Bid Proposal” or “Proposal” means the Contractor’s proposal submitted in response to the RFP.

f. “Contract” means the collective documentation memorializing the terms of the agreement between the Department and the Contractor identified on the Contract Declarations & Execution Page(s) and includes the signed Contract Declarations & Execution Page(s), the Special Terms, these General Terms for Services Contracts, any Special Contract Attachments, and all other addenda to the Contract Declarations & Execution Page(s).

g. “Contractor” means the entity or individual providing services under this Contract.

h. “Declarations & Execution Page(s)” means the document that contains basic information about the Contract and incorporates by reference these General Terms for Services Contracts, the Special Terms, and all other addenda to the Contract Declarations and Executions Page(s).

i. “Deficiency” means a defect, flaw, anomaly, failure, omission, interruption of service, or other problem of any nature whatsoever with respect to a Deliverable, including, without limitation, any failure of a Deliverable to conform to or meet an applicable specification. Deficiency also includes the lack of something essential or necessary for completeness or proper functioning of a Deliverable.

j. “Deliverables” all of the goods, products, services, work, work product, items, materials and property to be created, developed, produced, delivered, performed or provided by or on behalf of, or made available through, Contractor (or any agent, contractor or subcontractor of Contractor) in connection with this Contract.

k. “Documentation” means any and all technical information, commentary, explanations, design documents, system architecture documents, database layouts, test materials, training materials, guides, manuals, worksheets, notes, work papers, and all other information, documentation and materials related to or used in conjunction with the Deliverables, in any medium, including hard copy, electronic, digital, and magnetically or optically encoded media.

l. “RFP” means the Request for Proposals or Request for Bids (and any Addenda thereto) identified on the Contracts Declarations and Execution Page(s) that was issued to solicit the Deliverables that are subject to the Contract.

m. “Special Contract Attachments” means any attachment to this Contract indicated on the Contract Declarations & Execution Page(s).

n. “Special Terms” means the Section of the Contract entitled “Special Terms” that contains terms specific to this Contract, including but not limited to the Scope of Work, contract payment terms, and any amendments to these General Terms and Conditions for Services Contracts. If there is a conflict between the General Terms for Services Contracts and the Special Terms, the Special Terms shall prevail.

o. “Specifications” means all specifications, requirements, technical standards, performance standards, representations and other criteria related to the Deliverables stated or expressed in this Contract, the Documentation, the RFP, and the Proposal. Specifications shall include the Acceptance Criteria and any specifications, standards or criteria stated or set forth in any applicable state, federal, foreign and local laws, rules and regulations. The Specifications are incorporated into this Contract by reference as if fully set forth in this Contract.

p. “State” means the State of Iowa, the Department, and all State of Iowa agencies, boards, and commissions, and when this Contract is available to political subdivisions, any political subdivisions of the State of Iowa.

2.2 (2) Duration of Contract. The term of the Contract shall begin and end on the dates specified on the Contract Declarations & Execution Page(s), unless extended or terminated earlier in accordance with the termination provisions of this Contract. The Department may, in its sole discretion, exercise any applicable extension by giving the Contractor written notice of the extension decision at least sixty (60) days prior to the expiration of the initial term or renewal term.

2.2 (3) Service Requirements. The Contractor shall provide Deliverables that comply with and conform to the Specifications.

2.2 (4) Compensation

a. Pricing. The Contractor will be compensated in accordance with the payment terms outlined in the Contract Payment Terms and Scope of Work described in the Special Terms.

The Contractor shall submit, on the frequency established on the Contract Declarations & Execution Page(s) an invoice for Deliverables rendered in accordance with this Contract. The invoice shall comply with all applicable rules concerning payment of such claims. The Department shall verify the Contractor's performance of the Deliverables outlined in the invoice before making payment. The Department shall pay all approved invoices in arrears and in conformance with Iowa Code § 8A.514. The Department may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code § 8A.514.

Unless otherwise agreed in writing by the parties, the Contractor shall not be entitled to receive any other payment or compensation from the State for any Deliverables provided by or on behalf of the Contractor under this Contract. The Contractor shall be solely responsible for paying all costs, expenses and charges it incurs in connection with its performance under this Contract.

b. Withholding Payments. In addition to pursuing any other remedy provided herein or by law, the Department may withhold compensation or payments to Contractor, in whole or in part, without penalty to the Department or work stoppage by Contractor, in the event the Department determines that: (1) Contractor has failed to perform any of its duties or obligations as set forth in this Contract; or (2) any Deliverable has failed to meet or conform to any applicable Specifications or contains or is experiencing a Deficiency. No interest shall accrue or be paid to Contractor on any compensation or other amounts withheld or retained by the Department under this Contract.

c. Setoff Against Sums Owed by the Contractor. In the event that Contractor owes the State any sum under the terms of this Contract, any other contract or agreement, pursuant to a judgment, or pursuant to any law, the State may, in its sole discretion, set off any such sum against: (1) any sum invoiced by, or owed to, Contractor under this Contract, or (2) any sum or amount owed by the State to Contractor, unless otherwise required by law. The Contractor agrees that this provision constitutes proper and timely notice under any applicable laws governing setoff.

2.2 (5) Termination.

a. Termination for Cause by the Department. The Department may terminate this Contract upon written notice for the breach by Contractor of any material term, condition or provision of this Contract, if such breach is not cured within the time period specified in the Department's notice of breach or any subsequent notice or correspondence delivered by the Department to Contractor, provided that cure is feasible. In addition, the Department may terminate this Contract effective immediately without penalty and without advance notice or opportunity to cure for any of the following reasons:

(1) Contractor furnished any statement, representation, warranty or certification in connection with this Contract, the RFP or the Proposal that is false, deceptive, or materially incorrect or incomplete;

(2) Contractor or any of Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors has committed or engaged in fraud, misappropriation, embezzlement, malfeasance, misfeasance, or bad faith;

(3) Contractor or any parent or affiliate of Contractor owning a controlling interest in Contractor dissolves;

(4) Contractor terminates or suspends its business;

(5) Contractor's corporate existence or good standing in Iowa is suspended, terminated, revoked or forfeited, or any license or certification held by Contractor related to Contractor's performance under this Contract is suspended, terminated, revoked, or forfeited;

(6) Contractor has failed to comply with any applicable international, federal, state or local laws, rules, ordinances, regulations or orders when performing within the scope of this Contract;

(7) The Department determines or believes the Contractor has engaged in conduct that: (a) has or may expose the Department or the State to material liability, or (b) has caused or may cause a person's life, health or safety to be jeopardized;

(8) Contractor infringes or allegedly infringes or violates any patent, trademark, copyright, trade dress or any other intellectual property right or proprietary right, or Contractor misappropriates or allegedly misappropriates a trade secret;

(9) Contractor fails to comply with any applicable confidentiality laws, privacy laws, or any provisions of this Contract pertaining to confidentiality or privacy; or

(10) Any of the following has been engaged in by or occurred with respect to the Contractor or any corporation, shareholder or entity having or owning a controlling interest in Contractor:

1. Commencing or permitting a filing against it which is not discharged within ninety (90) days, of a case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; or filing an answer admitting the material allegations of a petition filed against it in any involuntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts; or consenting to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts;

2. Seeking or suffering the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets;

3. Making an assignment for the benefit of creditors;

4. Failing, being unable, or admitting in writing the inability generally to pay its debts or obligations as they become due or failing to maintain a positive net worth and such additional capital and liquidity as is reasonably adequate or necessary in connection with Contractor's performance of its obligations under this Contract; or

5. Taking any action to authorize any of the foregoing.

The Department's right to terminate this Contract shall be in addition to and not exclusive of other remedies available to the Department, and the Department shall be entitled to exercise any other rights and pursue any remedies, in law, at equity, or otherwise.

b. Termination Upon Notice. Following a thirty (30) day written notice, the Department may terminate this Contract in whole or in part without penalty and without incurring any further obligation to Contractor. Termination can be for any reason or no reason at all.

c. Termination Due to Lack of Funds or Change in Law. Notwithstanding anything in this Contract to the contrary, and subject to the limitations set forth below, the Department shall have the right

to terminate this Contract without penalty and without any advance notice as a result of any of the following:

(1) The legislature or governor fail in the sole opinion of the Department to appropriate funds sufficient to allow the Department to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract; or

(2) If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Department to make any payment hereunder are insufficient or unavailable for any other reason as determined by the Department in its sole discretion; or

(3) If the Department's authorization to conduct its business or engage in activities or operations related to the subject matter of this Contract is withdrawn or materially altered or modified; or

(4) If the Department's duties, programs or responsibilities are modified or materially altered; or

(5) If there is a decision of any court, administrative law judge or an arbitration panel or any law, rule, regulation or order is enacted, promulgated or issued that materially or adversely affects the Department's ability to fulfill any of its obligations under this Contract.

The Department shall provide Contractor with written notice of termination pursuant to this section.

d. Limitation of the State's Payment Obligations. In the event of termination of this Contract for any reason by either party (except for termination by the Department pursuant to Section 2.2(5)(a), the Department shall pay only those amounts, if any, due and owing to Contractor hereunder for Deliverables actually and satisfactorily provided in accordance with the provisions of this Contract up to and including the date of termination of this Contract and for which the Department is obligated to pay pursuant to this Contract; provided however, that in the event the Department terminates this Contract pursuant to Section 2.2(5)(c), the Department's obligation to pay Contractor such amounts and other compensation shall be limited by, and subject to, legally available funds. Payment will be made only upon submission of invoices and proper proof of Contractor's claim. Notwithstanding the foregoing, this Section 2.2(5)(d) in no way limits the rights or remedies available to the Department and shall not be construed to require the Department to pay any compensation or other amounts hereunder in the event of Contractor's breach of this Contract or any amounts withheld by the Department in accordance with the terms of this Contract. The Department shall not be liable, under any circumstances, for any of the following:

(1) The payment of unemployment compensation to Contractor's employees;

(2) The payment of workers' compensation claims, which occur during the Contract or extend beyond the date on which the Contract terminates;

(3) Any costs incurred by Contractor in its performance of the Contract, including, but not limited to, startup costs, overhead or other costs associated with the performance of the Contract;

(4) Any damages or other amounts associated with the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments or commitments made in connection with this Contract;

(5) Any taxes Contractor may owe in connection with the performance of this Contract, including, but not limited to, sales taxes, excise taxes, use taxes, income taxes or property taxes.

e. Contractor's Termination Duties. Upon receipt of notice of termination or upon request of the Department, Contractor shall:

1. Cease work under this Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within thirty (30) days of the date of notice of termination, describing the status of all work performed under the Contract and such other matters as the Department may require.

2. Immediately cease using and return to the Department any property or materials, whether tangible or intangible, provided by the Department to Contractor.

3. Cooperate in good faith with the Department and its employees, agents and independent contractors during the transition period between the notification of termination and the substitution of any replacement service provider.

4. Immediately return to the Department any payments made by the Department for Deliverables that were not rendered or provided by Contractor.

5. Immediately deliver to the Department any and all Deliverables for which the Department has made payment (in whole or in part) that are in the possession or under the control of the Contractor or its agents or subcontractors in whatever stage of development and form of recordation such property is expressed or embodied as that time.

f. Termination for Cause by Contractor. Contractor may only terminate this Contract for the breach by the Department of any material term, condition or provision of this Contract, if such breach is not cured within sixty (60) days of the Department's receipt of Contractor's written notice of breach.

2.2 (6) Confidential Information.

a. Access to Confidential Information. The Contractor's employees, agents and subcontractors may have access to confidential information maintained by the Department to the extent necessary to carry out its responsibilities under the Contract. The Contractor shall presume that all information received pursuant to this Contract is confidential unless otherwise designated by the Department. The Contractor shall provide to the Department a written description of its policies and procedures to safeguard confidential information. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats. The Contractor must designate one individual who shall remain the responsible authority in charge of all data collected, used, or disseminated by the Contractor in connection with the performance of the Contract. The Contractor shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of this Contract. The private or confidential information shall remain the property of the Department at all times.

b. No Dissemination of Confidential information. No confidential information collected, maintained, or used in the course of performance of the Contract shall be disseminated by Contractor except as authorized by law and only with the prior written consent of the Department, either during the period of the Contract or thereafter. Any data supplied by the Department to the Contractor or created by the Contractor in the course of the performance of this Contract shall be considered the property of the Department. The Contractor must return any and all data collected, maintained, created or used in the course of the performance of the Contract in whatever form it is maintained promptly at the request of the Department. The Contractor may be held civilly or criminally liable for improper disclosure of confidential information.

c. Subpoena. In the event that a subpoena or other legal process is served upon the Contractor for records containing confidential information, the Contractor shall promptly notify the Department and cooperate with the Department in any lawful effort to protect the confidential information.

d. Reporting of Unauthorized Disclosure. The Contractor shall immediately report to the Department any unauthorized disclosure of confidential information.

e. Survives Termination. The Contractor's obligations under this section shall survive termination or expiration of this Contract.

2.2 (7) Indemnification.

a. By the Contractor. The Contractor agrees to indemnify and hold harmless the State and its officers, appointed and elected officials, board and commission members, employees, volunteers and agents (collectively the "Indemnified Parties"), from any and all costs, expenses, losses, claims, damages, liabilities, settlements and judgments (including, without limitation, the reasonable value of the time spent by the Attorney General's Office, and the costs, expenses and attorneys' fees of other counsel retained by the Indemnified Parties directly or indirectly related to, resulting from, or arising out of this Contract, including but not limited to any claims related to, resulting from, or arising out of:

- (1) Any breach of this Contract;

(2) Any negligent, intentional or wrongful act or omission of the Contractor or any agent or subcontractor utilized or employed by the Contractor;

(3) The Contractor's performance or attempted performance of this Contract, including any agent or subcontractor utilized or employed by the Contractor;

(4) Any failure by the Contractor to make all reports, payments and withholdings required by federal and state law with respect to social security, employee income and other taxes, fees or costs required by the Contractor to conduct business in the State of Iowa;

(5) Any claim of misappropriation of a trade secret or infringement or violation of any intellectual property rights, proprietary rights or personal rights of any third party, including any claim that any Deliverable or any use thereof (or the exercise of any rights with respect thereto) infringes, violates or misappropriates any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other intellectual property right or proprietary right of any third party.

b. Survives Termination. Contractor's duties and obligations under this section shall survive the termination of this Contract and shall apply to all acts or omissions taken or made in connection with the performance of this Contract regardless of the date any potential claim is made or discovered by the Department or any other Indemnified Party.

2.2 (8) Insurance.

a. Insurance Requirements. The Contractor, and any subcontractor, shall maintain in full force and effect, with insurance companies licensed by the State of Iowa, at the Contractor's expense, insurance covering its work during the entire term of this Contract and any extensions or renewals thereof. The Contractor's insurance shall, among other things, be occurrence based and shall insure against any loss or damage resulting from or related to the Contractor's performance of this Contract regardless of the date the claim is filed or expiration of the policy. The State of Iowa and the Department shall be named as additional insureds or loss payees, or the Contractor shall obtain an endorsement to the same effect, as applicable.

b. Types and Amounts of Insurance Required. Unless otherwise requested by the Department in writing, the Contractor shall cause to be issued insurance coverages insuring the Contractor and/or subcontractors against all general liabilities, product liability, personal injury, property damage, and (where applicable) professional liability in the amount specified on the Contract Declarations and Execution Page for each occurrence. In addition, the Contractor shall ensure it has any necessary workers' compensation and employer liability insurance as required by Iowa law.

c. Certificates of Coverage. Contractor shall maintain all insurance policies required by this Contract in full force and effect during the entire term of this Contract and any extensions or renewals thereof, and shall not permit such policies to be canceled or amended except with the advance written approval of the Department. The Contractor shall submit certificates of the insurance, which indicate coverage and notice provisions as required by this Contract, to the Department upon execution of this Contract. The certificates shall be subject to approval by the Department. The insurer shall state in the certificate that no cancellation of the insurance will be made without at least a thirty (30) day prior written notice to the Department. Approval of the insurance certificates by the Department shall not relieve the Contractor of any obligation under this Contract.

d. Waiver of Subrogation Rights. The Contractor shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against the State. The waiver of subrogation rights shall be indicated on the certificates of insurance coverage supplied to the State.

2.2(9) Project Management & Reporting.

a. Project Manager. At the time of execution of this Contract, each party shall designate, in writing, a Project Manager to serve until the expiration of this Contract or the designation of a substitute Project Manager. During the term of this Contract, each Project Manager shall be available to meet

monthly, unless otherwise mutually agreed, to review and plan the Deliverables being provided under this Contract.

b. Review Meetings. During the review meetings the Project Managers shall discuss progress made by the Contractor in the performance of this Contract. Each party shall provide a status report, as desired by a Project Manager, listing any problem or concern encountered since the last meeting. Records of such reports and other communications issued in writing during the course of Contract performance shall be maintained by each party.

c. Reports. At the next scheduled meeting after which any party has identified in writing a problem, the party responsible for resolving the problem shall provide a report setting forth activities undertaken, or to be undertaken, to resolve the problem, together with the anticipated completion dates of such activities. Any party may recommend alternative courses of action or changes that will facilitate problem resolution. For as long as a problem remains unresolved, written reports shall identify:

(1) Any event not within the control of the Contractor or the Department that accounts for the problem;

(2) Modifications to the Contract agreed to by the parties in order to remedy or solve the identified problem;

(3) Damages incurred as a result of any party's failure to perform its obligations under this Contract; and

(4) Any request or demand by one party that another party believes is not included within the terms of this Contract.

d. Problem Reporting Omissions. The Department's acceptance of a problem report shall not relieve the Contractor of any obligation under this Contract or waive any other remedy under this Contract or at law or equity that the Department may have. The Department's failure to identify the extent of a problem or the extent of damages incurred as a result of a problem shall not act as a waiver of performance or damages under this Contract. Where other provisions of this Contract require notification of an event in writing, the written report shall be considered a valid notice under this Contract provided the parties required to receive notice are notified.

e. Change Order Procedure. The Department may at any time request a modification to the Scope of Work using a change order. The following procedures for a change order shall be followed:

(1) **Written Request.** The Department shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Work.

(2) **The Contractor's Response.** The Contractor shall submit to the Department a firm cost proposal for the requested change order within five (5) business days of receiving the change order request.

(3) **Acceptance of the Contractor Estimate.** If the Department accepts the cost proposal presented by the Contractor, the Contractor shall provide the modified Deliverable subject to the cost proposal included in the Contractor response. The Contractor's provision of the modified Deliverables shall be governed by the terms and conditions of this Contract.

(4) **Adjustment to Compensation.** The parties acknowledge that a change order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract.

2.2 (10) Legislative Changes. The Contractor expressly acknowledges that the contracted Deliverables are subject to legislative change by either the federal or state government. Should either legislative body enact measures which alter the project, the Contractor shall not hold the Department liable in any manner for the resulting changes. The Department shall use best efforts to provide a thirty (30) day written notice to the Contractor of any legislative change. During the thirty (30) day period, the parties shall meet and make a good faith effort to agree upon changes to the Contract to address the legislative change. Nothing

in this subsection shall affect or impair the Department's right to terminate the Contract pursuant to the termination provisions.

2.2 (11) Intellectual Property.

a. Ownership and Assignment of Other Deliverables. Contractor agrees that the State and Department shall become the sole and exclusive owners of all Deliverables. Contractor hereby irrevocably assigns, transfers and conveys to the State and the Department all right, title and interest in and to all Deliverables and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables, including copyrights, patents, trademarks, trade secrets, trade dress, mask work, utility design, derivative works, and all other rights and interests therein or related thereto. Contractor represents and warrants that the State and the Department shall acquire good and clear title to all Deliverables, free from any claims, liens, security interests, encumbrances, intellectual property rights, proprietary rights, or other rights or interests of Contractor or of any third party, including any employee, agent, contractor, subcontractor, subsidiary or affiliate of Contractor. The Contractor (and Contractor's employees, agents, contractors, subcontractors, subsidiaries and affiliates) shall not retain any property interests or other rights in and to the Deliverables and shall not use any Deliverables, in whole or in part, for any purpose, without the prior written consent of the Department and the payment of such royalties or other compensation as the Department deems appropriate. Unless otherwise requested by Department, upon completion or termination of this Contract, Contractor will immediately turn over to Department all Deliverables not previously delivered to Department, and no copies thereof shall be retained by Contractor or its employees, agents, subcontractors or affiliates, without the prior written consent of Department.

b. Waiver. To the extent any of Contractor's rights in any Deliverables are not subject to assignment or transfer hereunder, including any moral rights and any rights of attribution and of integrity, Contractor hereby irrevocably and unconditionally waives all such rights and enforcement thereof and agrees not to challenge the State's rights in and to the Deliverables.

c. Further Assurances. At the Department's request, Contractor will execute and deliver such instruments and take such other action as may be requested by the Department to establish, perfect or protect the State's rights in and to the Deliverables and to carry out the assignments, transfers and conveyances set forth in Section 2.2(11)(a).

d. Publications. Prior to completion of all services required by this Contract, Contractor shall not publish in any format any final or interim report, document, form or other material developed as a result of this Contract without the express written consent of the Department. Upon completion of all services required by this Contract, Contractor may publish or use materials developed as a result of this Contract, subject to confidentiality restrictions, and only after the Department has had an opportunity to review and comment upon the publication. Any such publication shall contain a statement that the work was done pursuant to a contract with the Department and that it does not necessarily reflect the opinions, findings and conclusions of the Department.

2.2 (12) Warranties.

a. Construction of Warranties Expressed in this Contract with Warranties Implied by Law. Warranties made by the Contractor in this Contract, whether: (a) this Contract specifically denominates the Contractor's promise as a warranty; or (b) the warranty is created by the Contractor's affirmation or promise, by a description of the Deliverables to be provided, or by provision of samples to the Department, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties that arise through course of dealing or usage of trade. The warranties expressed in this Contract are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the Deliverables provided by the Contractor. The provisions of this section apply during the term of this Contract and any extensions or renewals thereof.

b. Contractor represents and warrants that:

(1) all Deliverables shall be wholly original with and prepared solely by Contractor; or it owns, possesses, holds, and has received or secured all rights, permits, permissions, licenses and authority necessary to provide the Deliverables to the Department hereunder and to assign, grant and convey the rights, benefits, licenses and other rights assigned, granted or conveyed to the Department hereunder or under any license agreement related hereto without violating any rights of any third party;

(2) Contractor has not previously and will not grant any rights in any Deliverables to any third party that are inconsistent with the rights granted to the Department herein; and

(3) the Department shall peacefully and quietly have, hold, possess, use and enjoy the Deliverables without suit, disruption or interruption.

c. Contractor represents and warrants that:

(1) the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables); and

(2) the Department's use of, and exercise of any rights with respect to, the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables), do not and will not, under any circumstances, misappropriate a trade secret or infringe upon or violate any copyright, patent, trademark, trade dress or other intellectual property right, proprietary right or personal right of any third party. Contractor further represents and warrants there is no pending or threatened claim, litigation or action that is based on a claim of infringement or violation of an intellectual property right, proprietary right or personal right or misappropriation of a trade secret related to the Deliverables. Contractor shall inform the Department in writing immediately upon becoming aware of any actual, potential or threatened claim of or cause of action for infringement or violation of an intellectual property right, proprietary right, or personal right or misappropriation of a trade secret. If such a claim or cause of action arises or is likely to arise, then Contractor shall, at the Department's request and at the Contractor's sole expense:

1. Procure for the Department the right or license to continue to use the Deliverable at issue;

2. Replace such Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation or misappropriation;

3. modify or replace the affected portion of the Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation or misappropriation; or

4. accept the return of the Deliverable at issue and refund to the Department all fees, charges and any other amounts paid by the Department with respect to such Deliverable. In addition, Contractor agrees to indemnify, defend, protect and hold harmless the State and its officers, directors, employees, officials and agents as provided in the Indemnification section of this Contract, including for any breach of the representations and warranties made by Contractor in this section. The foregoing remedies shall be in addition to and not exclusive of other remedies available to the Department and shall survive termination of this Contract.

d. Contractor represents and warrants that the Deliverables (in whole and in part) shall:

(1) be free from material Deficiencies; and

(2) meet, conform to and operate in accordance with all Specifications and in accordance with this Contract during the Warranty Period, as defined in the Contract Special Terms. During the Warranty Period Contractor shall, at its expense, repair, correct or replace any Deliverable that contains or experiences material Deficiencies or fails to meet, conform to or operate in accordance with Specifications within five (5) business days of receiving notice of such Deficiencies or failures from the Department or within such other period as the Department specifies in the notice. In the event Contractor is unable to repair, correct or replace such Deliverable to the Department's satisfaction, Contractor shall refund the fees or other amounts paid for the Deliverables and for any services related thereto. The foregoing shall not constitute an exclusive remedy under this Contract,

and the Department shall be entitled to pursue any other available contractual, legal or equitable remedies. Contractor shall be available at all reasonable times to assist the Department with questions, problems and concerns about the Deliverables, to inform the Department promptly of any known Deficiencies in any Deliverables, repair and correct any Deliverables not performing in accordance with the warranties contained in this Contract, notwithstanding that such Deliverable may have been accepted by the Department, and provide the Department with all necessary materials with respect to such repaired or corrected Deliverable.

e. Contractor represents, warrants and covenants that all services to be performed under this Contract shall be performed in a professional, competent, diligent and workmanlike manner by knowledgeable, trained and qualified personnel, all in accordance with the terms and Specifications of this Contract and the standards of performance considered generally acceptable in the industry for similar tasks and projects. In the absence of a Specification for the performance of any portion of this Contract, the parties agree that the applicable specification shall be the generally accepted industry standard. So long as the Department notifies Contractor of any services performed in violation of this standard, Contractor shall re-perform the services at no cost to the Department, such that the services are rendered in the above-specified manner, or if the Contractor is unable to perform the services as warranted, Contractor shall reimburse the Department any fees or compensation paid to Contractor for the unsatisfactory services.

f. Contractor represents and warrants that the Deliverables will comply with any applicable federal, state, foreign and local laws, rules, regulations, codes, and ordinances in effect during the term of this Contract, including applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, and all standards and requirements established by the Architectural and Transportation Barriers Access Board and the Iowa Department of Administrative Services, Information Technology Enterprise.

g. Obligations Owed to Third Parties. The Contractor represents and warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by the Contractor pursuant to this Contract are or will be fully satisfied by the Contractor so that the Department will not have any obligations with respect thereto.

2.2 (13) Contract Administration.

a. **Independent Contractor.** The status of the Contractor shall be that of an independent contractor. The Contractor, its employees, agents and any subcontractors performing under this Contract are not employees or agents of the State or any Department, division or department of the State simply by virtue of work performed pursuant to this Contract. Neither the Contractor nor its employees shall be considered employees of the Department or the State for federal or state tax purposes simply by virtue of work performed pursuant to this Contract. The Department will not withhold taxes on behalf of the Contractor (unless required by law).

b. **Incorporation of Documents.** To the extent this Contract arises out of an RFP, the parties acknowledge that the Contract consists of these contract terms and conditions as well as the RFP and the Bid Proposal. The RFP and the Bid Proposal are incorporated into the Contract by reference, except that no objection or amendment by the Contractor to the provisions of the RFP shall be incorporated by reference into the Contract unless the Department has explicitly accepted the Contractor's objection or amendment in writing. If there is a conflict between the Contract, the RFP and the Bid Proposal, the conflict shall be resolved according to the following priority, ranked in descending order: (1) the Contract; (2) the RFP; (3) the Bid Proposal.

c. **Intent of References to Bid Documents.** The references to the parties' obligations, which are contained in this Contract, are intended to supplement or clarify the obligations as stated in the RFP and the Bid Proposal. The failure of the parties to make reference to the terms of the RFP or the Bid Proposal in this Contract shall not be construed as creating a conflict and will not relieve the Contractor of the

contractual obligations imposed by the terms of the RFP and the Contractor's Bid Proposal. The contractual obligations of the Department cannot be implied from the Bid Proposal.

d. Compliance with the Law. The Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders when providing Deliverables under this Contract, including without limitation, all laws that pertain to the prevention of discrimination in employment and in the provision of services. For employment, this would include equal employment opportunity and affirmative action, and the use of targeted small businesses as subcontractors or suppliers. The Contractor may be required to provide a copy of its affirmative action plan, containing goals and time specifications, and non-discrimination and accessibility plans and policies regarding services to clients. Failure to comply with this provision may cause this contract to be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for future state contracts or be subject to other sanctions as provided by law or rule. The Contractor, its employees, agents and subcontractors shall also comply with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work performed under this Contract. The Contractor may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 Iowa Administrative Code chapter 4. If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars and bulletins, the awarding Department of the Federal Government reserves certain rights including, without limitation a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

e. Procurement. Contractor shall use procurement procedures that comply with all applicable federal, state, and local laws and regulations.

f. Non-Exclusive Rights. This Contract is not exclusive. The Department reserves the right to select other contractors to provide Deliverables similar or identical to those described in the Scope of Work during the term of this Contract.

g. Amendments. This Contract may be amended in writing from time to time by mutual consent of the parties. Amendments to the General Terms for Services Contracts may appear in the Special Terms.

h. Third Party Beneficiaries. There are no third party beneficiaries to this Contract. This Contract is intended only to benefit the State and the Contractor.

i. Use of Third Parties. The Department acknowledges that the Contractor may contract with third parties for the performance of any of the Contractor's obligations under this Contract. The Contractor shall notify the Department in writing of all subcontracts relating to Deliverables to be provided under this Contract prior to the time the subcontract(s) become effective. The Department reserves the right to review and approve all subcontracts. The Contractor may enter into these contracts to complete the project provided that the Contractor remains responsible for all Deliverables provided under this Contract. All restrictions, obligations and responsibilities of the Contractor under this Contract shall also apply to the subcontractors and the Contractor shall include in all of its subcontracts a clause that so states. The Department shall have the right to request the removal of a subcontractor from the Contract for good cause.

j. Choice of Law and Forum. The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Contract without regard to the conflict of law provisions of Iowa law. Any and all litigation commenced in connection with this Contract shall be brought and maintained solely in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa, wherever jurisdiction is appropriate. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the Department or the State of Iowa.

k. Assignment and Delegation. Contractor may not assign, transfer or convey in whole or in part this Contract without the prior written consent of the Department. For the purpose of construing this clause, a transfer of a controlling interest in the Contractor shall be considered an assignment. The Contractor may not delegate any of its obligations or duties under this Contract without the prior written consent of the Department. The Contractor may not assign, pledge as collateral, grant a security interest in, create a lien against, or otherwise encumber, any payments that may or will be made to the Contractor under this Contract.

l. Integration. This Contract represents the entire Contract between the parties. The parties shall not rely on any representation that may have been made which is not included in this Contract.

m. Headings or Captions. The paragraph headings or captions used in this Contract are for identification purposes only and do not limit or construe the contents of the paragraphs.

n. Not a Joint Venture. Nothing in this Contract shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal relationship) between the parties hereto. Each party shall be deemed to be an independent contractor contracting for services and acting toward the mutual benefits expected to be derived herefrom. No party, unless otherwise specifically provided for herein, has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Contract.

o. Joint and Several Liability. If the Contractor is a joint entity, consisting of more than one individual, partnership, corporation or other business organization, all such entities shall be jointly and severally liable for carrying out the activities and obligations of this Contract, and for any default of activities and obligations.

p. Supersedes Former Contracts or Agreements. This Contract supersedes all prior contracts or agreements between the Department and the Contractor for the Deliverables to be provided in connection with this Contract.

q. Waiver. Except as specifically provided for in a waiver signed by duly authorized representatives of the Department and the Contractor, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Contract shall not be construed as affecting any subsequent right to require performance or to claim a breach.

r. Notice. Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to each party's contract manager as set forth on the Contract Declarations & Execution Page(s). Each such notice shall be deemed to have been provided:

(1) At the time it is actually received; or,

(2) Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day delivery; or,

(3) Within five (5) days after it is deposited in the U.S. Mail in the case of registered U.S. Mail. From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

s. Cumulative Rights. The various rights, powers, options, elections and remedies of any party provided in this Contract, shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal remedy to which any party may be entitled.

t. Severability. If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Contract.

u. Time is of the Essence. Time is of the essence with respect to the Contractor's performance of the terms of this Contract. Contractor shall ensure that all personnel providing Deliverables to the Department are responsive to the Department's requirements and requests in all respects.

v. Authorization. Contractor represents and warrants that:

(1) It has the right, power and authority to enter into and perform its obligations under this Contract.

(2) It has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

w. Successors in Interest. All the terms, provisions, and conditions of the Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

x. Records Retention and Access. The Contractor shall maintain accurate, current, and complete records of the financial activity of this Contract which sufficiently and properly document and calculate all charges billed to the Department throughout the term of this Contract and for a period of at least five (5) years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five (5) year period, whichever is later. The Contractor shall permit the Department, the Auditor of the State or any other authorized representative of the State and where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records or other records of the Contractor relating to orders, invoices or payments or any other documentation or materials pertaining to this Contract, wherever such records may be located. The Contractor shall not impose a charge for audit or examination of the Contractor's books and records. Based on the audit findings, the Department reserves the right to address the Contractor's board or other managing entity regarding performance and expenditures. When state or federal law or the terms of this Contract require compliance with OMB Circular A-87, A-110, or other similar provision addressing proper use of government funds, the Contractor shall comply with these additional records retention and access requirements:

(1) Records of financial activity shall include records that adequately identify the source and application of funds. When the terms of this Contract require matching funds, cash contributions made by the Contractor and third party in-kind (property or service) contributions must be verifiable from the Contractor's records. These records must contain information pertaining to contract amount, obligations, unobligated balances, assets, liabilities, expenditures, income and third-party reimbursements.

(2) The Contractor shall maintain accounting records supported by source documentation that may include but are not limited to cancelled checks, paid bills, payroll, time and attendance records, and contract award documents.

(3) The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the Department.

(4) The Contractor shall maintain a sufficient record keeping system to provide the necessary data for the purposes of planning, monitoring and evaluating its program.

(5) The Contractor shall retain all medical records for a period of six (6) years from the last date of service for each patient; or in the case of a minor patient or client, for a period consistent with that

established by Iowa Code § 614.1(9). Client records, which are non-medical, must be maintained for a period of five (5) years.

y. Audits. Local governments and non-profit subrecipient entities that expend \$500,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of OMB Circular A-133 “Audit of States, Local Governments, and Non-Profit Organizations.” A copy of the final audit report shall be submitted to the Department if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Department. If an audit report is not required to be submitted per the criteria above, the subrecipient must provide written notification to the Department that the audit was conducted in accordance with Government Auditing Standards and that neither the schedule of findings and questioned costs nor the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Department. See A-133 Section 21 for a discussion of subrecipient versus vendor relationships. Contractor shall provide the Department with a copy of any written audit findings or reports, whether in draft or final form, within 24 hours following receipt by the Contractor. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

z. Qualifications of Staff. The Contractor shall be responsible for assuring that all persons, whether they are employees, agents, subcontractors or anyone acting for or on behalf of the Contractor, are properly licensed, certified or accredited as required under applicable state law and the Iowa Administrative Code. The Contractor shall provide standards for service providers who are not otherwise licensed, certified or accredited under state law or the Iowa Administrative Code.

a.a. Solicitation. The Contractor represents and warrants that no person or selling agency has been employed or retained to solicit and secure this Contract upon an agreement or understanding for commission, percentage, brokerage or contingency excepting bona fide employees or selling agents maintained for the purpose of securing business.

b.b. Obligations Beyond Contract Term. This Contract shall remain in full force and effect to the end of the specified term or until terminated pursuant to this Contract. All obligations of the Department and the Contractor incurred or existing under this Contract as of the date of expiration or termination will survive the termination or expiration of this Contract.

c.c. Counterparts. The parties agree that this Contract has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

d.d. Delays or Potential Delays of Performance. Whenever the Contractor encounters any difficulty which is delaying or threatens to delay the timely performance of this Contract, including but not limited to potential labor disputes, the Contractor shall immediately give notice thereof in writing to the Department Contract Manager with all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the Department or the State of any rights or remedies to which either is entitled bylaw or pursuant to provisions of this Contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay. Furthermore, Contractor will not be excused from failure to perform that is due to a force majeure unless and until the Contractor provides notice pursuant to this provision.

e.e. Delays or Impossibility of Performance Based on a Force Majeure. Neither party shall be in default under the Contract if performance is prevented, delayed or made impossible to the extent that such prevention, delay, or impossibility is caused by a “force majeure.” The term “force majeure” as used in this Contract includes an event that no human foresight could anticipate or which if anticipated, is incapable of being avoided. Circumstances must be abnormal and unforeseeable, so that the consequences could not have been avoided through the exercise of all due care, such as acts of God, war, civil disturbance and other similar causes. The delay or impossibility of performance must be beyond the

control and without the fault or negligence of the parties. "Force majeure" does not include: financial difficulties of the Contractor or any parent, subsidiary, affiliated or associated company of Contractor; claims or court orders that restrict Contractor's ability to deliver the Deliverables contemplated by this Contract; strikes; labor unrest; or supply chain disruptions. If delay results from a subcontractor's conduct, negligence or failure to perform, the Contractor shall not be excused from compliance with the terms and obligations of the Contract unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as defined in this Contract. If a "force majeure" delays or prevents the Contractor's performance, the Contractor shall immediately use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be determined solely by the Department. The party seeking to exercise this provision and not perform or delay performance pursuant to a "force majeure" shall immediately notify the other party of the occurrence and reason for the delay. The parties shall make every effort to minimize the time of nonperformance and the scope of work not being performed due to the unforeseen events. Dates by which performance obligations are scheduled to be met will be extended only for a period of time equal to the time lost due to any delay so caused.

f.f. Conflict of Interest. Contractor represents, warrants, and covenants that no relationship exists or will exist during the Contract period between the Contractor and the Department that is a conflict of interest. No employee, officer or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a subcontract if a conflict of interest, real or apparent, exists. The provisions of Iowa Code chapter 68B shall apply to this Contract. If a conflict of interest is proven to the Department, the Department may terminate this Contract, and the Contractor shall be liable for any excess costs to the Department as a result of the conflict of interest. The Contractor shall establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties. The Contractor shall report any potential, real, or apparent conflict of interest to the Department.

g.g. Certification regarding sales and use tax. By executing this Contract, the Contractor certifies it is either (a) registered with the Iowa Department of Revenue, collects, and remits Iowa sales and use taxes as required by Iowa Code chapter 423; or (b) not a "retailer" or a "retailer maintaining a place of business in this state" as those terms are defined in Iowa Code subsections 423.1(42) & (43). The Contractor also acknowledges that the Department may declare the Contract void if the above certification is false. The Contractor also understands that fraudulent certification may result in the Department or its representative filing for damages for breach of contract.

h.h. Right to Address the Board of Directors or Other Managing Entity. The Department reserves the right to address the Contractor's board of directors or other managing entity of the Contractor regarding performance, expenditures and any other issue as appropriate. The Department determines appropriateness.

i.i. Repayment Obligation. In the event that any State and/or federal funds are deferred and/or disallowed as a result of any audits or expended in violation of the laws applicable to the expenditure of such funds, the Contractor shall be liable to the Department for the full amount of any claim disallowed and for all related penalties incurred. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

j.j. Further Assurances and Corrective Instruments. The parties agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such amendments hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Contract.

k.k. Reporting Requirements. If this Contract permits other State agencies and political subdivisions to make purchases off of the Contract, the Contractor shall keep a record of the purchases made pursuant to the Contract and shall submit a report to the Department on a quarterly basis. The report

shall identify all of the State agencies and political subdivisions making purchases off of this Contract and the quantities purchased pursuant to the Contract during the reporting period.

l.l. Immunity from Liability. Every person who is a party to the Contract is hereby notified and agrees that the State, the Department, and all of their employees, agents, successors, and assigns are immune from liability and suit for or from Contractor's and/or subcontractors' activities involving third parties and arising from the Contract.

m.m. Public Records. The laws of the State require procurement records to be made public unless otherwise provided by law.

n.n. Use of Name or Intellectual Property. Contractor agrees it will not use the Department and/or State's name or any of their intellectual property, including but not limited to, any State, state Department, board or commission trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of the Department and/or the State.

o.o. Taxes. The State is exempt from Federal excise taxes, and no payment will be made for any taxes levied on Contractor's employee's wages. The State is exempt from State and local sales and use taxes on the Deliverables.

p.p. No Minimums Guaranteed. The Contract does not guarantee any minimum level of purchases or any minimum amount of compensation.

ATTACHMENT G

PRICING SCHEDULES

The Cost Proposal must be submitted separately from the Technical Proposal, unless otherwise specified. (Please read Section 4.)

	SFY 09 Actual	SFY 10 Projection	SFY 11 Projection
Cost of NEMT	\$7,801,701	\$9,087,009	\$10,281,649
# of Claims	87,999	94,617	100,434
Ave. Monthly # of Members served	4,614	4,961	5,266
Eligible Members	349,407	375,682	398,753
Per Member / Per Month amount	\$1.86	\$2.02	\$2.15

The successful Bidder will bid a “per Member / per month” amount, based on the SFY 2011 estimate of eligible NEMT Members. The monthly payments for all contract years will be determined by the actual number of eligible NEMT Members for each month. The payment will be made prior to the 15th day of the month. Adjustments will be made for persons who appear on the eligibility list but are no longer qualified to receive NEMT services due to an exclusionary change in the eligibility.

	Implementation	Year 1 10/1/10 – 6/30/11	Year 2 7/1/11 – 6/30/12	Year 3 7/1/12 – 6/30/13	Option Year 4 7/1/13 – 6/30/14	Option Year 5 7/1/14 – 6/30/15	Option Year 6 7/1/15 – 6/30/16
A. Eligible Members (SFY 11)		398,753	398,753	398,753	398,753	398,753	398,753
B. Per Member Per Month Rate		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
C. Annualize		9	12	12	12	12	12
D. Operations Grand Total (A x B x C)		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

ATTACHMENT H

Iowa Department of Human Services Medical Transportation Claim

I. IDENTIFICATION (to be completed by the member)

Medicaid member's name	Phone number	Medicaid number	
Address	City	State	Zip

II. TRIP INFORMATION (to be completed by the member or guardian)

Name of individual or provider providing transportation			
Address of individual providing transportation if different from member Street address		City	State Zip
<input type="checkbox"/> Own car <input type="checkbox"/> A friend or relative drove <input type="checkbox"/> Nursing facility <input type="checkbox"/> Public provider Name: _____		Total miles, round trip	Charges <input type="checkbox"/> Meals \$ _____ Includes escort: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Lodging \$ _____ Includes escort: <input type="checkbox"/> Yes <input type="checkbox"/> No
Dates of trip	Time of departure	Time of return	
From street address		City	State Zip

III. MEDICAL SERVICES (to be completed by the Medicaid provider of medical care)

Name, address and phone of medical provider	<input type="checkbox"/> Chiropractor	<input type="checkbox"/> Mayo Clinic
	<input type="checkbox"/> Dentist	<input type="checkbox"/> Lab
	<input type="checkbox"/> Dialysis	<input type="checkbox"/> Mental health therapy
	<input type="checkbox"/> Family doctor	<input type="checkbox"/> Physical therapy
	<input type="checkbox"/> Doctor-specialist	<input type="checkbox"/> Psychiatrist
	<input type="checkbox"/> Hospital	<input type="checkbox"/> Psychologist
	<input type="checkbox"/> Hospital-specialist	<input type="checkbox"/> Other: _____
	<input type="checkbox"/> U. of Iowa hospitals	
I certify that I provided service to the member on the dates set forth above. Signature of Provider (or authorized representative)		Dates of visits: Time in: Time out:
Is the member required to stay overnight? <input type="checkbox"/> Yes <input type="checkbox"/> No		Is an escort required? <input type="checkbox"/> Yes <input type="checkbox"/> No

IV. CERTIFICATION BY MEMBER

I certify that I or the person I represent received the medical transportation as set forth above. I authorize the Department of Human Services to contact the provider of transportation or medical services to verify this statement or get more information if necessary.

Signature of member or representative	Date
---------------------------------------	------

V. LOCAL OFFICE USE ONLY

<input type="checkbox"/> Approved	Amount	\$ _____	Explanation:
<input type="checkbox"/> Partially Approved	Amount	\$ _____	Explanation:
<input type="checkbox"/> Denied	Amount	\$ _____	Explanation:
Signature of worker		Worker number	Date

(See other side for additional information and instructions.)

470-0386 (Rev. 2/08)

Medical Transportation Claim

Procedure to Obtain Payment

You must submit this form to your local Department of Human Services office for each trip to receive medical care for which you are claiming payment. Use a separate form for each separate trip. If you make more than one trip to a specific provider of service in one calendar month, you may report all the trips to one provider during a month on one claim form in Section II. The provider will enter the dates of all visits that month in Section III. Bring or mail the form to your local Department of Human Services as soon as possible following completion of each trip. **Payment cannot be made on claims where more than 365 days elapse between the date the transportation took place and the date the claim is received in the local office of the Department of Human Services.** In most instances payment will be made directly to you by check from the Iowa Department of Human Services.

We suggest that you keep a copy of the claim for your records.

INSTRUCTIONS FOR COMPLETING THE CLAIM

- I. IDENTIFICATION** - This section is to be completed by you or someone acting in your behalf. Enter your name, phone number, address and Medicaid number.
- II. TRIP INFORMATION** - This section is to be completed by you. Enter the name and address of individual or provider who provided transportation. Check the box next to the way you were transported and the date of the trip. The total miles traveled round trip must be entered and the charge made to you by the provider of transportation. If this was a flat sum, you should enter the amount in the total miles field. If the charge was based on gasoline, the amount for gas should be entered in the total miles field. The beginning point of the transportation should be entered. List meals and lodging for each trip along with costs incurred.
- III. MEDICAL SERVICES** - This section is to be completed by the provider of medical services (doctor, dentist, hospital, etc.). The provider or some designated person in the provider's office should sign the form. Provider will need to note the time of arrival and departure by listing this time on the time in, time out line. Note: If you got service from more than one provider of medical care during the trip, information concerning only one of the providers needs to be entered in this section.
- IV. CERTIFICATION BY MEMBER** - You, or the person acting in your behalf, should enter your signature and the date in the space provided. You will note that if the local Department office has questions concerning the mileage or the charges submitted, you are authorizing them to contact the provider of transportation or medical services for further information or verification.
- V. LOCAL OFFICE USE ONLY** - Do not write in this space. It is for the use of the Department.